

AGRICULTURE, RURAL DEVELOPMENT, FOOD  
AND DRUG ADMINISTRATION, AND RELATED  
AGENCIES APPROPRIATIONS FOR 2014

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HEARINGS  
BEFORE A  
SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED THIRTEENTH CONGRESS  
FIRST SESSION

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SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, FOOD AND  
DRUG ADMINISTRATION, AND RELATED AGENCIES

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# **AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RE- LATED AGENCIES APPROPRIATIONS FOR 2014**

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FRIDAY, APRIL 12, 2013.

## **COMMODITY FUTURES TRADING COMMISSION**

### **WITNESSES**

**GARY GENSLER, CHAIRMAN, COMMODITY FUTURES TRADING COMMISSION**

**SCOTT D. O'MALIA, COMMISSIONER, COMMODITY FUTURES TRADING COMMISSION**

Mr. ADERHOLT. Good morning. The subcommittee will come to order.

Before I recognize Chairman Gensler and Commissioner O'Malia for their opening statements, I would ask the ranking member of the subcommittee, the distinguished gentleman from California, Mr. Farr, for any remarks that he may have.

Mr. FARR. Well, thank you very much, Mr. Chairman. I normally do not read remarks, but I think since there are a lot of new members on this committee and this is a very complex issue, I would just like to read my statement.

The Commodity Futures Trading Commission is an unsung hero of American fiscal stability. Since 1974, the CFTC has regulated the U.S. agricultural commodity and other futures and options markets. For 36 years, the CFTC executed its responsibilities professionally while protecting investors from fraud on a shoestring budget.

But with the 2010 passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the CFTC's jurisdiction exploded nearly sevenfold, from \$37 trillion to nearly \$300 trillion. Make no mistake about it, that increased jurisdiction was absolutely essential.

The 2008 economic collapse was proof positive that our financial regulatory oversight failed Americans. The unregulated swaps market helped concentrate risk in the financial system, and that risk spilled over into the real economy. The results were 8 million jobs were lost, millions of families lost their homes, and thousands of small businesses had to lock their doors.

Something had to change, and Dodd-Frank mandated that the CFTC now regulate the \$300 trillion swaps market in addition to its regular role of the \$37 trillion agriculture commodities and

other futures market. So it stands to reason that we should better resource the CFTC to carry out their new responsibilities.

Unfortunately, that has not happened. The CFTC is still being funded at \$207 million, which is barely enough to cover its old jurisdiction. If American taxpayers expect the CFTC to fully carry out its oversight and regulatory responsibilities, we should be providing them with the \$315 million. And to give that figure some perspective, \$315 million is a tiny fraction, just one-millionth, of the roughly \$300 trillion market they must regulate. You think about that. That is almost a trillion dollars a day.

While I share the concern of our current economic predicament, our failure to adequately resource the CFTC so they can exercise prudent oversight over the swaps market has far graver financial consequences for our national economy. It is worth repeating that the price tag for mindful neglect is 8 million jobs lost, millions of families losing their homes, and thousands of small businesses locking their doors.

There is absolutely no way our constituents and our markets can withstand another economic tsunami, and they shouldn't have to. But, unfortunately, those aren't the only costs of crippling CFTC's funding.

Continued underfunding means CFTC won't be able to conduct enforcement investigations, and that costs the American taxpayer real money. In January 2013 alone, CFTC brought in \$1 billion in fines and penalties. That is \$1 billion that goes into the U.S. Treasury, not into paying the workload of CFTC. Put another way, CFTC gave the American taxpayers almost a fourfold return on their fiscal year 2013 investment.

And here is another cost to underfunding. Since Dodd-Frank, CFTC has written 43 of 50 new swap market rules. Understandably, Wall Street has questions about how to comply with these rules, but the CFTC doesn't have the money to hire the staff who can respond to these inquiries. And that understaffing stymies the pace of business, just when we need to have robust, productive, and transparent markets.

The bottom line is this: The cost of fully funding CFTC is minor; the cost of underfunding CFTC is enormous. American taxpayers deserve this minor front-end investment in CFTC to yield enormous long-term returns.

Thank you, Mr. Chairman.

Mr. ADERHOLT. Thank you, Mr. Farr.

Let me, first of all, welcome both of you to the subcommittee this morning and thank you for being here on this rainy Friday morning to join us. And we look forward to, Chairman Gensler, your testimony, and also welcome Commissioner O'Malia for your presence here this morning and look forward to your testimony, as well.

The Commodity Futures Trading Commission is responsible for principle-based regulation of the commodities, futures, options, and swap marketplace. These markets are an integral part of our Nation's free enterprise system. The CFTC has received six consecutive annual increases in funding—an annual increase of 85 percent since the financial crisis of 2008. There are not many agencies or offices in our jurisdiction in this subcommittee that have enjoyed that attention. So part of what I want to focus on today is the tax-

payers' return on investment for these funds and the funds that you have been entrusted with.

While I realize that the Commission is nearing a point where most rules under the Dodd-Frank have been written, there still seems to be many questions about the overreach of some of these rules. And, quite honestly, CFTC's focus on hiring additional staff seems disconnected to the reality that most activity under your purview is being conducted electronically.

CFTC's 2014 budget request is \$315 million, an increase of 53 percent over the current CR level. It certainly brings into question the rationality of such a large request given the fiscal environment and the reality of the CFTC's funding history. Further, I believe the best way to examine future funding is to examine the record.

With that, I would turn it over to Chairman Gensler and then to Commissioner O'Malia.

Without objection, both of your full testimonies will be included in the record. And if you would like to summarize in any way your testimony, hit the highlights, you are welcome to do so.

So, with that, let me first of all recognize Chairman Gensler.

[The information follows:]

**Chairman Robert Aderholt**  
**Subcommittee on Agriculture, Rural Development, Food and Drug Administration and**  
**Related Agencies**  
**Commodity Futures Trading Commission – April 12, 2013**  
**Opening Statement - As Prepared**

Chairman Gensler, I want to welcome you back to the Subcommittee today. We look forward to your testimony. I also want to welcome Commissioner O'Malia to the subcommittee. This is the first time in recent history that we have heard from any other commissioner, and we look forward to your testimony as well.

The Commodity Futures Trading Commission (CFTC) is responsible for principles-based regulation of the commodities, futures, options and swaps marketplace. These markets are integral to our nation's free-enterprise system.

The CFTC has received six consecutive annual increases in funding, an overall increase of 85 percent since the Financial Crisis of 2008. There are not many agencies or offices in our jurisdiction that have enjoyed such attention. So part of what I want to focus on today is the taxpayers return on investment for these funds that you have been entrusted with.

While I realize that the Commission is nearing a point where most rules under Dodd-Frank have been written, there still seems to be many questions about the overreach of some of those rules, and quite honestly CFTC's focus on hiring additional staff seems disconnected to the reality that most activity under your purview is being conducted electronically.

CFTC's 2014 budget request is \$315 million, an increase of 53 percent over the current CR level certainly brings into question the rationality of such a large request given the fiscal environment, and the reality of CFTC's funding history. Further, I believe the best way to examine future funding is to examine the record.

With that, I will turn it over to you Chairman Gensler, and then to Commissioner O'Malia. Without objection, both of your full testimony will be included in the record. If you both would like to summarize your testimony and hit the highlights, we can get on with our questions.

Mr. GENSLER. Chairman Aderholt, Ranking Member Farr, members of the subcommittee, thank you for inviting me to present the President's budget for 2014. And I am pleased to testify along with Commissioner O'Malia, who not only is a fellow commissioner of mine but has become quite a friend over these last 4 years of rule-making and oversight of these markets.

The CFTC's mission is critical, as you and the ranking member said, to so many in each of your districts. And just because there are some new Members here, I wanted to mention, it is the farmers and the ranchers but also the community bankers, the insurance salesmen, the mortgage brokers, and commercial companies, all of which we call end-users, if I can use that broad word.

And why is it important? It is because we oversee the derivatives marketplace, both historically the futures market, but now more recently the swaps market. And derivatives are financial instruments. My mom asks me quite often, Gary, what is it you do down there? You might have the same question. Derivatives are financial instruments whereby an end-user tries to lock in a price or a rate so they can focus on what they do well.

So your constituents benefit from a transparent and efficient derivatives market so that they can manage a price risk, maybe for energy or agriculture, or a rate risk for an interest rate, if they want to put up a small building in your district and they want to lock in the interest rate that they are being charged, or maybe they are importing goods from another country and they want to lock in a foreign exchange rate. So whether it is oil, corn, wheat, interest rates, or foreign currency, they want to get that risk out of the way so they can focus on growing the economy, providing services and goods to your communities.

Now, our heritage dates back to the 1920s when we were part of the Department of Agriculture, and thus we are in front of this subcommittee and we are overseen by the Agriculture Committees in both Houses. But since 1975 we have been an independent commission, and until last year we oversaw just the futures marketplace. As has been mentioned, though, in response to the financial crisis Congress directed that we take on a significantly expanded mission: swaps, which were at the center of the crisis.

Having completed most of the rules that Congress directed us to do, this small agency, the CFTC, now oversees both futures and swaps. These markets are approximately \$300 trillion in notional size. This represents \$20 of derivatives for every dollar of goods and services that flows through our economy. If you fill up a tank of gas for \$90, you can think somewhere in our economy there might be \$1,800 of derivatives somewhere in our economy behind that, just an average. I am not saying it exactly works that way. Ninety percent of this is in the newly overseen swaps market, and about 11 or 12 percent of it is the market we have overseen to date, the futures marketplace, as measured in notional size.

Now, the public is now beginning to benefit from this swaps market reform. Until just recently, the swaps marketplace was opaque, but now it is getting transparency. There is a modern-day ticker tape like you have in the securities marketplace. We now have 75 swap dealers that are registered with us. These are the largest banks around the globe. Now we will be able to oversee their busi-

ness conduct and ensure that the markets are fair to the rest of the public. We have also brought swaps into something called central clearing. This is a market mechanism that helps to lower risk to the markets.

Our technology and our staff have not kept up with either this expanded mission or the paradigm shift that we have seen. As the chairman mentioned, we did grow in the last 6 years. That was, in essence, to get us back to where we were in the 1990s. We are currently just 8 percent larger than we were 20 years ago. We had shrunk from the 1990s, down to the bottom in 2008.

So the President's \$315 million budget for 1,015 people is to grow this agency from the 690 people we are at now to try to oversee a market that is nearly 8 times the size we currently oversee.

That does not mean we need eight times the resources, for sure. But we do need additional technology and staff to effectively promote transparency. We need additional technology and staff to make sure that people have access in your district. We need the technology and staff to closely monitor customer funds. And we need technology and staff to examine the vast number of new entities registered with us. And I think additional technology and staff are necessary to utilize our enforcement tools to the fullest potential.

I will just give one example, which was in the interest rate markets, in LIBOR. You may have read about the London Interbank Offered Rate that was being pervasively and readily rigged, undermining market integrity in the interest rate futures markets. Millions of Americans have mortgages tied to LIBOR, and we are the Federal agency that has the—we are the cop on the beat for this—responsibility for overseeing these markets.

Hundreds, maybe tens of thousands of small businesses borrow against an interest rate called LIBOR, and millions of Americans invest in money market funds that use LIBOR. So it is a really important thing. And we found three banks pervasively rigging it. That led to \$2 billion—that is \$2 billion that went into the U.S. Treasury in the last 12 months, between the Department of Justice and our fines.

Now, it is just a point of reference, and it is not how I would recommend appropriating, but to the chairman's question about a return to taxpayers, that \$2 billion represents the amount that was appropriated to our agency from 1990 to 2012; 23 years of our appropriations were returned with that \$2 billion. I am just trying to address your question.

We are a tiny agency with a tiny enforcement staff that is approximately the same size as our enforcement staff was in 2002. Pound for pound, we get a lot out of that enforcement staff, but I do think we need more people, given the vast markets we oversee. I think the farmers and ranchers, the community bankers, insurance salesmen, mortgage brokers, and many, many other end-users in your districts would benefit. And it is a good investment for the taxpayers' money, though I know you all have a very hard job. I would not want to switch jobs and try to make the decisions as to how to allocate scarce resources. But I think this agency is a good investment for the taxpayers money.

And I thank you for your time.

Mr. ADERHOLT. Thank you.  
[The information follows:]

**TESTIMONY OF GARY GENSLER**  
**CHAIRMAN, COMMODITY FUTURES TRADING COMMISSION**  
**BEFORE THE**  
**U.S. HOUSE APPROPRIATIONS SUBCOMMITTEE ON**  
**AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION,**  
**AND RELATED AGENCIES**  
**WASHINGTON, DC**  
**April 12, 2013**

Good morning Chairman Aderholt, Ranking Member Farr and members of the Subcommittee. Thank you for inviting me to today's hearing on the President's request for the Commodity Futures Trading Commission's (CFTC) fiscal year (FY) 2014 budget. I'm pleased to testify along with my fellow Commissioner Scott O'Malia.

This hearing is occurring at an historic time in the markets because under Congress' direction, the CFTC now oversees the derivatives marketplace: not only futures that we have overseen for decades, but also the swaps market. The agency has completed 80 percent of the swap market reform rules required under the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). The public is benefiting from seeing the price and volume of each swap transaction. This information is available free of charge on a website, like a modern-day tickertape. For the first time, the public will benefit from the risk reduction and greater access to the market that comes from centralized clearing. And for the first time, the public is benefiting from the oversight of swap dealers. So far, 75 have registered and must adhere to sales practice and business conduct standards to help lower risk to the overall economy.

The marketplace is increasingly shifting to implementation of these common-sense rules of the road. Now it is all the more clear: the CFTC is not the right size for its new and expanded mission Congress has directed it to perform.

The CFTC's current funding is \$207 million prior to sequestration. We recognize that the federal government is operating under a sequester and that budgets for agencies across government require additional scrutiny. Our mission, however, has expanded dramatically. We have a duty to help protect the economy and taxpayers from risks in the financial system. Thus, the President's FY 2014 budget requests an appropriation of \$315 million and 1,015 FTEs. The overall funding levels requested approximate the plan set forth in the President's 2013 Budget (\$308 million and 1,015 FTE), but also take into account industry progress in implementing financial reform. Although 1,015 FTE resources requested in this budget are at the same level as for FY 2013, adjustments were made across our mission activities to reflect the transition from Dodd-Frank rulemaking to swaps market oversight in 2014. Primarily, the Commission shifted its requested resource allocation to support and maintain direct examinations – a critical component of customer protection. Market events have highlighted that the Commission must do everything within our authorities and resources to strengthen oversight programs and the protection of customers and their funds.

The President's budget request for the Commission strikes a balance between important investments in technology and human capital, both of which are essential to carrying out the agency's mandate. This approximately 52 percent increase in funding includes a 62 percent increase in IT services, but only a 44 percent increase in staff.

The CFTC is dedicated to using taxpayer dollars efficiently – nearly a fourth of the overall budget request, \$73 million, is for outside IT services. When the CFTC's dedicated IT staff is included, the request is \$94.8 million for IT, or nearly a third of the overall budget. But it still takes human beings to watch for market manipulation and abuses that affect hedgers, farmers, ranchers, producers and commercial companies, as well as the public buying gas at the pump.

The CFTC is operating under a strategic plan for FY 2011-2015. This plan raises the bar on the agency's performance measures to more accurately evaluate our progress. But the agency's performance is affected by the challenges of limited resources. For the second year in a row, there are many goals that were not met, as are detailed in the agency's Annual Performance Report (APR). The CFTC is reviewing the results of the APR and will include the findings in this year's revision of the strategic plan and consider the results as the agency reevaluates the allocation of resources.

In my remaining testimony, I will review the five areas that make up over 90 percent of our requested budgeted staff increase: registrations, examinations, surveillance and data, enforcement, and economics and legal analysis.

#### *Registration and Product Reviews*

A significant task before us in FY 2014 will be the continuation of registration of effected entities, as well as reviews of new products for both the clearing mandate and the trading mandate.

We want to consider registration applications in a thoughtful and timely manner, be efficient in reviewing submissions, and be responsive to market participant inquiries –but this will require sufficient funding. For FY 2014, the President's request supports \$38.9 million and 147 FTEs for these two mission areas, an increase of \$22.6 million and 92 FTEs.

The estimated 200 clearinghouses, trading platforms, swap data repositories, swap dealers and major swap participants that are recently registered or may seek CFTC registration within the next year is a dramatic increase over any registration effort the agency has overseen in the past. The Commission needs staff to facilitate the registration of the following:

- **Clearinghouses** – Entities that lower risk to the public by guaranteeing the obligations of both parties in a transaction. We are working with five entities seeking to register as DCOs and have inquiries from others. These entities would join the 14 we currently oversee.
- **Designated contract markets (DCMs)** – U.S. trading platforms that list futures and options and likely will start listing swaps. The CFTC currently oversees 16 DCMs, and by 2014, staff expects another two to three to seek registration.
- **Foreign boards of trade (FBOTs)** – Regulated trading platforms in other countries that are generally equivalent to DCMs. Since the FBOT rule became effective, 19 FBOTs have filed applications with the CFTC. By 2014, staff expects an additional couple of FBOTs to seek registration with the CFTC.
- **Swap data repositories (SDRs)** – Recordkeeping facilities created by Dodd-Frank to bring transparency to the swaps market. Three are provisionally registered with the CFTC, and by 2014, an additional SDR may seek registration.
- **Swap dealers and major swap participants**– Under the Dodd-Frank Act, the CFTC is working to comprehensively regulate swap dealers and major swap participants to lower their risk to the economy. As the result of completed CFTC rules, 75 swap dealers and two major swap participants are now provisionally registered. This initial group includes the largest domestic and international financial institutions dealing in swaps with U.S. persons. Commission staff currently estimates that over time, 25-50 additional swap dealers may request registration with the National Futures Association (NFA). We'll be overseeing their registration and related questions.
- **Swap execution facilities (SEFs)** – The new trading platform for swaps. Commission staff estimates that 15 entities may request to become SEFs.

While we will have a system for provisional registration in place, market participants will want the certainty of final registration.

The Commission approved the first clearing requirement last November. A key milestone was reached last week with the requirement that swap dealers and the largest hedge funds clear as of March 11. The vast majority of interest rate and credit default index swaps are being brought into central clearing. Compliance will continue to be phased in throughout this year. Other financial entities begin clearing June 10. Accounts managed by third party investment managers and ERISA pension plans have until September 9. The Commission

continues in the resource intensive review for determinations of other swaps that will be subject to the clearing mandate.

Full funding for the agency means that we will be best prepared to review the dramatic increase in requested registrations and to review swaps for the clearing mandate. A partial increase in funding means market participants will see a backlog in registrations, responses to their inquiries, and product review because we won't have personnel sufficient to review their submissions in a timely and complete manner. Flat funding will mean market participants will wait even longer. There will be significant backlogs for participants seeking to register with the CFTC, as well as for review of swaps for mandatory clearing.

### *Examinations*

Another critical mission for FY 2014 will be more regular and more in-depth examinations of the major market participants the CFTC oversees. Examinations are the CFTC's tool to check for compliance with laws that protect the public and to ensure the protection of customer funds. The President's request would provide \$44.3 million and 185 FTEs for examinations, an increase of \$25.6 million and 104 FTEs. The CFTC would more than double our current allocation for this mission because the number of entities we examine is expected to more than double.

This is an area where the agency has fallen short of our goals in performance reviews. The CFTC directly reviews clearinghouses and trading platforms and will review SDRs. But while the agency reviews them directly, we don't have the resources to have full-time staff on site, unlike other regulatory agencies that do have on-the-ground staff at the significant firms they oversee. The CFTC also doesn't do annual reviews. Clearinghouses, for instance, currently are examined on a three-year cycle. For intermediaries such as futures commission merchants

(FCMs) and swap dealers, the CFTC relies on what are known as self-regulatory organizations (SROs) to be the primary examiners. Given our lack of resources, we're only able to double check the SROs' work on a limited number of FCMs each year, and the agency can spend little time onsite at the firms.

On top of the current lack of staff for examinations, our responsibilities in 2014 will expand to include reviews of many new market participants. For instance, there are currently 117 FCMs, 75 swap dealers and two major swap participants have provisionally registered, and more are expected to do so as the year progresses. More frequent and in-depth examinations are necessary to assure the public that firms have adequate capital, as well as systems and procedures in place to protect customer money. Reviews are critical to ensuring the financial soundness of clearinghouses, and ensuring transparency and competition in the trading markets.

Fully funding the increase for examinations means the Commission can move toward annual reviews of all significant clearinghouses and trading platforms and adequate reviews of other market participants. A partial increase for examinations means cutting back our monitoring plans for new market participants and more in-depth risk reviews. Flat funding means we will continue lacking the ability to assure the public that the CFTC's registrants are financially sound and in compliance with regulatory protections.

#### *Surveillance and Data*

Effective market surveillance is dependent on the CFTC's ability to acquire and analyze extremely large volumes of data to identify trends and events that warrant further investigation. For FY 2014, the President's request would support \$61.7 million and 174 FTEs for surveillance, data acquisition, and analytics, an increase of \$18.3 million and 53 FTEs. Of the \$61.7 million request, 55 percent would be directed toward IT.

The Dodd-Frank swaps market transparency rules mean a major increase in the amount of incoming data for the CFTC to aggregate and analyze. The agency is taking on the challenge of establishing connections with SDRs and aggregating the newly available swaps data with futures market data. This requires high performance hardware and software and the development of analytical alerts. But it also requires the corresponding personnel to manage this technology effectively for surveillance and enforcement.

As the CFTC also receives ownership and control information for trading accounts, it will have data to better detect intraday position limit violations and analyze high frequency trading.

A full increase for surveillance means the CFTC will have the ability to analyze futures and swaps data to protect market participants and the public. A partial increase would limit the agency's investments in analysis-based surveillance tools. And flat funding will limit our capacity to effectively utilize and aggregate the new data we now are receiving.

#### *Enforcement*

The CFTC's enforcement arm protects market participants and other members of the public from fraud, manipulation and other abusive practices in the futures and swaps markets. Our efforts range from pursuing Ponzi schemers who defraud individuals across the country out of life savings; to abuses that threaten customer funds; to false reporting of prices; to schemes to manipulate prices, including of goods, such as oil, gas and agricultural products. The Commission has opened more than 800 investigations in the past two fiscal years. The President's FY 2014 request would provide \$57.7 million and 213 FTEs for enforcement, an increase of \$18.1 million and 51 FTEs.

In 2002, we had 154 people devoted to enforcement, and that number is nearly flat with our current staff of 158. This staff has been called upon to enforce laws and rules that are new to

our arsenal. The Dodd-Frank mandate closed a significant gap in the agency's enforcement authorities by extending the enforcement reach to swaps and prohibiting the reckless use of manipulative or deceptive schemes. In addition, the CFTC will be overseeing a host of new market participants.

A full increase for enforcement means more investigations and cases that the agency can pursue to protect the public. A less than full increase means that the CFTC will be faced with difficult choices. We could maintain the current volume and types of cases, but we would have to shift resources from futures cases to swaps cases or not cover all of the swaps market. Flat funding means not only that the Commission's enforcement volume likely would shrink, but parts of the markets would be left with little enforcement oversight.

The Commission's engagement in targeted enforcement efforts in the public interest include its historic actions regarding the rigging of benchmark rates, such as the London Interbank Offered Rate (LIBOR), a reference rate for much of the U.S. futures and swaps markets. Barclays, UBS and RBS were fined approximately \$2.5 billion for manipulative conduct by the CFTC, the UK Financial Services Authority (FSA) and the Justice Department. At each bank, the misconduct spanned many years, took place in offices in several cities around the globe, included numerous people, and involved multiple benchmark rates and currencies. In each case, there was evidence of collusion. In the UBS and RBS cases, one or more inter-dealer brokers painted false pictures to influence submissions of other banks, i.e., to spread the falsehoods more widely. Barclays and UBS also were reporting falsely low borrowing rates in an effort to protect their reputation. While the cases led to \$2 billion in fines flowing to the U.S. Treasury, what this is about is ensuring for financial market integrity.

*Economics and Legal Analysis*

For FY 2014, the President's budget would support \$24.6 million and 97 FTEs to invest in robust economic analysis teams and Commission-wide legal analysis, a decrease of \$3.6 million and 20 FTEs from our estimate under the pre-sequester continuing resolution. The CFTC's economists support all of the Commission's divisions, including surveillance and complex enforcement cases. They have served on Dodd-Frank rule teams to carefully consider the costs and benefits of each rule.

The decision to make downward adjustments in the resources requested for this critical mission activity was not an easy one. However, given the increasing number of intermediaries the CFTC now oversees, examination teams needed to be bolstered.

In 2014, the CFTC's economists will be integral in developing tools to analyze automated surveillance data and continue to evaluate new products for clearing.

Flat funding means a strained ability to analyze the market and detect problems that could be negative for the economy. Flat funding also means the Commission's legal analysis team will be cut back even further to support front-line examinations, adding to the delays in responding to market participants and processing applications and straining the team's ability to support of enforcement efforts.

## **Conclusion**

The CFTC's hardworking team is just 8 percent more in numbers than at our peak in the 1990s. Yet since that time, the futures market has grown five-fold, driven by rapid advances in technology. The swaps market is eight times larger than the futures market. Effective market implementation of swaps reforms by the CFTC requires additional resources. We are not asking for eight times the funding or staff. Investments in both technology and people, however, are needed for effective oversight of these markets by regulators.

Though data has started to be reported to the public and to regulators, we need the staff and technology to access, review and analyze the data. With 75 entities having registered as new swap dealers and major swap participants, we need people to answer their questions and work with the NFA on the necessary oversight to ensure market integrity. Furthermore, as market participants expand their technological sophistication, CFTC technology upgrades are critical for market surveillance and to enhance customer fund protection programs.

This is an incredibly strained budget environment. But without sufficient funding for the CFTC, the nation cannot be assured this agency can closely monitor for the protection of customer funds and utilize our enforcement arm to its fullest potential to go after bad actors in the futures and swaps markets. Without sufficient funding for the CFTC, the nation cannot be assured that this agency can effectively enforce essential rules that promote transparency and lower risk to the economy.

Thank you again for inviting me today, and I look forward to your questions.

Mr. ADERHOLT. Commissioner.

Mr. O'MALIA. Good morning, Chairman Aderholt, Ranking Member Farr, and members of the subcommittee. Thank you for the opportunity to come and testify on the Commission's budget request. And I am pleased to be with my friend, Chairman Gensler.

The Commission is seeking a 52.5 percent increase above the current-year funding level of 206.5 million. The Commission has sought similarly large increases in past requests. Although not provided these full funding increases, additional resources have been provided, as noted by both the chairman and ranking member.

In FY 2007, prior to the 2008 financial crisis, the Commission received just \$97.7 million and supported 437 full-time equivalent staff and 59 contractors. Today, after consistent funding increases, the Commission is operating at 206 million; or in the sequestration number about 194 million; and supports roughly 700 staff, as well as 200 contractors, which is an over 200 percent increase.

Funding for technology also has grown during this time, and I appreciate Congress setting aside specific funding in bill language that provides and directs the Commission to focus on technology. This is a key component of our surveillance and essential to our oversight program. However, we have a very long way to go to develop a credible and comprehensive technology strategy to meet our mission objectives.

I did not vote for the FY 2014 budget request for two reasons. First, I believe the requested level of 315 million; an increase of 52 percent, is both improbable and unsustainable. Second, the budget fails to provide specifics and makes a broad, unsubstantiated appeal for more resources without the requisite demonstration of mission priorities or essential deliverables. The budget request presents everything as a priority yet provides no metrics by which to measure the Commission's success or failure.

As a former clerk of the Senate Energy and Water Subcommittee, I know firsthand the challenges you all face to allocate scarce resources among agencies and commissions, all fighting for increases in their budgets. These are not easy choices, as the chairman noted, and they are made even more difficult by today's acute budget pressure.

Now, in my position as a regulator, I am working to make sure that the Commission is a responsible and effective steward of taxpayer resources. For you to have confidence in our mission, we must develop a credible, transparent, and specific budget request that we are able to execute in fulfilling our statutory objectives.

I do believe there is a strong case to be made for the importance of our oversight mission of the swaps and futures markets. I also believe that it is apparent that expanded mission cannot be accomplished without modest increases in resources for this Commission.

Since I arrived at the CFTC, each budget request that I have reviewed, including this one, includes a chart highlighting the stratospheric rise in futures trading as a justification for the sizable increase in our budget. It is abundantly clear that growth in futures trading is strongly tied to electronic trading, including the use of algorithms and high-frequency trading systems. Therefore, if the Commission is going to keep pace with the growth and technology innovation in these markets, it must make automated surveillance

the foundation of our oversight and compliance program. Automation provides crucial leverage for our limited staff to oversee high-speed electronic markets.

I believe there are several important priorities that are technology-related that the Commission must address immediately. I would ask that you continue to support separate bill language that provides for our technology funding. This specific allocation will keep the Commission focused on its most critical investments.

Second, the Commission must develop a 5-year strategic plan focused on technology that requires each division and office within the Commission to develop a 5-year technology investment strategy with annual milestones by which Congress can measure our performance.

This plan should explain in detail how technology and staff are integrated and should address the following issues. It should explain how the Commission will expand its surveillance tools to include message data, instead of relying on already-stale transaction data. This is critical for us to oversee high-frequency trading strategies.

Next, it should explain how the Commission will integrate its oversight of futures, swaps, and options markets and the execution of those across both the futures exchanges and the new swap execution facilities. Integrating that and reviewing that will be a major challenge for us going forward. We also need to prioritize our technology investments such as risk analysis and surveillance. We must pick priorities in this budget to be effective.

Third, the Commission must establish a cross-divisional data unit to immediately address various data reporting, aggregation, and analysis shortcomings, as well as to develop new automated analytical tools. We have established swap data repositories, and we are beginning to collect data, but we have a long way to go before we are going to be able to make sense of that data.

Fourth, we should address the November 14th, 2012, IG assessment letter which focused on the most serious investment challenges facing the Commission. And, Mr. Chairman, if you would, I would like to include that in the record.

Mr. ADERHOLT. Without objection.

[The information follows:]

*Scott D. O'Malia 3/1/13*

**DISSENT BY COMMISSIONER SCOTT D. O'MALIA  
FISCAL YEAR 2014 BUDGET REQUEST FOR THE  
COMMODITY FUTURES TRADING COMMISSION  
March 1, 2013**

I respectfully dissent from the fiscal year 2014 budget submission for the Commission. This submission seeks an improbable funding request of \$315 M, an increase of 52 percent above the current funding level of \$206.6 million as provided in the fiscal year Continuing Resolution.<sup>1</sup> Given the vast deficit spending challenges this country is facing, I do not believe it is fiscally prudent for the Commission to make broad unsubstantiated appeals for massive budget increases without specifically identifying its mission needs and priorities.

While I cannot support an expansive request for additional funding, I welcome the Office of Data and Technology's (ODT's) detailed request for FY 2014 that includes mission specific investments. Unfortunately, if previous experience is any indicator of future action, any funding shortfalls from the request will result in a pro-rata distribution in spending for all divisions, due to a lack of prioritization among the Commission functions. As I have said repeatedly since joining the Commission, I support a separate statutory provision that would provide an independent funding allocation for technology so that a reduced overall budget will not result in a reduction in ODT funding.

This is especially important in light of the fact that for the past two years, a CFTC Inspector General Assessment of the most serious management challenges facing the CFTC (Attached)<sup>2</sup> identified two areas where the Commission must make immediate improvements: 1) the "Efficient Deployment of Information Technology Resources" and 2) "Expanding Delivery of Customer Protection Resources and Consumer Education." I believe that both areas of weakness can be mitigated by prioritizing a sustained and specific investment in technology.

The Commission frequently highlights the precipitous rise in trading volume over the past decade as a justification for the massive staff increase. It bears noting, however, that the vast increase in trading was facilitated by computer-based trading. If the Commission is going to keep pace with growth and technological innovation in these markets, it must make automated surveillance the foundation of its oversight and compliance program.

Finally, remarkably, the Commission, in its budget request and justification of "Mission Activities" and "Divisions" (pages 15-38), fails to address one of its most serious regulatory oversight challenges – customer protection. This is a glaring oversight in mission priorities in light of the recent failures by MF Global and Peregrine Financial. While Exhibit 2 (pages 81-82) highlights mission responsibilities and budget allocation to the whistleblower program and customer education office, it fails to show how the Commission is going to address the shortcomings in its oversight and surveillance programs related to the MF Global and Peregrine matters.

<sup>1</sup> Public Law 112-175 Continuing Appropriations Act (through 3/27/2013).

<sup>2</sup> <http://www.cftc.gov/ucm/groups/public/@aboutcftc/documents/file/oigmgmtchall2012.pdf>



## U.S. COMMODITY FUTURES TRADING COMMISSION

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Office of the  
Inspector General

### MEMORANDUM

**TO:** Gary Gensler  
Chairman

**FROM:** A. Roy Lavik *AL*  
Inspector General

**DATE:** November 14, 2012

**SUBJECT:** Inspector General's Assessment of The Most Serious Management Challenges Facing the Commodity Futures Trading Commission (CFTC)

#### Introduction

The Reports Consolidation Act of 2000 (RCA) authorizes the CFTC to provide financial and performance information in a meaningful and useful format for Congress, the President, and the public. The RCA requires the Inspector General to summarize the "most serious" management and performance challenges facing the Agency and to assess the Agency's progress in addressing those challenges. This memorandum fulfills our duties under the RCA.

In order to identify and describe the most serious management challenges, as well as the Agency's progress in addressing them, we relied on data contained in the CFTC financial statement audit and Annual Financial Report, representations by agency management, and our knowledge of industry trends and CFTC operations. Since Congress left the determination and threshold of what constitutes a most serious challenge to the discretion of the Inspector General, we applied the following definition in preparing this statement:

Serious management challenges are mission critical areas or programs that have the potential for a perennial weakness or vulnerability that, without substantial management attention, would seriously impact Agency operations or strategic goals.

This memorandum summarizes the results of the CFTC's current financial statement audit, describes the Agency's progress on last year's management challenges, and finally discusses the most serious management challenges that we have identified. For the second year in a row, we identified the most serious management challenges as:

- Efficient Deployment of Information Technology Resources
- Expanding Delivery of Customer Protection Resources and Consumer Education.

## **CFTC Financial Statement Audit Results**

In accordance with the *Accountability of Tax Dollars Act*, CFTC, along with numerous other federal entities, is required to submit to an annual independent financial statement audit by the Inspector General, or by an independent external auditor as determined by the Inspector General. The results of the Fiscal Year 2012 financial statement audit will be discussed in the Annual Financial Report, and the financial statement audit is expected to result in an unqualified audit opinion.

## **CFTC's Progress on Last Year's Challenges**

Last year, we identified two of the most serious management challenges:

- Efficient Deployment of Information Technology Resources; and,
- Expanding Delivery of Customer Protection Resources and Consumer Education.

CFTC made progress on both challenges, but these challenges remain significant due to ongoing implementation of the Dodd-Frank Act.

## **Most Serious Management Challenges for the coming year**

The two issues that we identified last year will continue to challenge CFTC management in the coming year:

### **Efficient Deployment of Information Technology Resources**

Last year we stated that over eighty percent of futures and options trading on the Chicago Mercantile Exchange are transacted electronically. Since then electronic trading continued its inexorable march and now over eighty-five percent of futures and options occurs electronically.

Last year we also expressed a concern that the agency's additional regulatory responsibilities mandated by the Dodd-Frank Act would challenge management's ability to adequately regulate the sizeable volume of swaps transactions--currently estimated to exceed \$600 trillion in notional value worldwide. On October 12, 2012 CFTC regulations required reporting on certain cleared interest rate and credit default swaps transactions to Swap Data Repositories (SDR); the agency has access to the data received by the SDRs. In order to properly analyze the data and scan for trade anomalies the agency is in the process of specifying a standard data structure for swap information submitted to SDRs and it is our understanding that the industry and the CFTC are working through this new Dodd-Frank Act regulatory mandate. In January 2013 the CFTC will receive real time swap transaction data, placing additional regulatory demand on the agency. These challenges--electronic trading vs. declining on-exchange floor trading, and expanded jurisdiction over the swaps market--remain on the horizon. Both require the efficient deployment of effective information technology resources.

In fiscal year 2012, Congress appropriated \$55 million dollars in multi-year funds for information technology to address the structural shift in derivatives trading regulated by the agency. Under a period of government-wide fiscal austerity, we anticipate that the agency will be challenged during the coming year to adequately conduct surveillance over these complex markets, and equally challenged to sift through voluminous transaction data to thwart wrongdoing. Reliance on technological solutions may be the agency's best tool to regulate the formerly unregulated swaps markets, and time will reveal the agency's success in meeting this challenge. We will monitor the agency's use of appropriated funds for information technology in light of these challenges.

### **Expanding Delivery of Customer Protection Resources and Consumer Education**

Section of 748(g) of the Dodd-Frank Act added section 23(g) to the Commodity Exchange Act to establish within the Treasury of the United States a revolving fund that will be available to the Agency for the payment of whistleblower awards and education initiatives. The new Customer Protection Fund is funded by civil monetary penalties collected through the Commission's enforcement program that are not otherwise distributed to victims. At the end of FY2012 the Customer Protection Fund held over \$100 million dollars, a significant increase from the \$23 million dollar balance held last fiscal year. On October 25, 2012 the Office of the Inspector General issued the financial statement audit of the Customer Protection Fund, which for the second year in a row resulted in an unqualified opinion on the financial statements.

Increasingly, the Customer Protection Fund's expanding resources and commitments will demand significant management attention. We are encouraged that the agency has staffed the fund with new management, refined its policy for issuing awards to whistleblowers, and initiated Consumer Education outreach programs. However the recent financial scandals at MF Global, Inc., and Peregrine Financial, Inc., both generating reports of misappropriated customer funds, underscore the need to strengthen consumer protections in the financial system through consumer education. The increased commitment to whistleblower protection and customer education will challenge the agency to effectively manage decisions regarding additions to and awards from the Customer Protection Fund, to develop its organizational structure, and to prudently manage significant additional resources.

Mr. O'MALIA. The IG identified the following concerns as serious management challenges: the efficient deployment of information technology resources and the expanded delivery of customer protection resources and consumer education.

Fifth, I think we should develop a rule implementation plan. The Commission is shifting its effort from rule writing to rule implementation. Providing certainty and clarity to market participants and facilitating their compliance with our rules must be a priority. The Commission has provided a complicated ad hoc set of over 80 exemptions to our rules, the great majority of them since October, leaving the market participants confused regarding the application of the Commission's new rules.

To ensure the Commission is well-positioned to fulfill its mission objectives, it must develop a technology-focused budget strategy that can justify the need for additional funding for the Commission. I am committed to working with this subcommittee to identify key investments that will enhance our capacity to oversee the markets through the use of technology.

Thank you for the opportunity to testify here today.

Mr. ADERHOLT. Thank you.

[The information follows:]

TESTIMONY OF SCOTT D. O'MALIA  
COMMISSIONER, COMMODITY FUTURES TRADING COMMISSION  
BEFORE THE  
U.S. HOUSE COMMITTEE ON APPROPRIATIONS,  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG  
ADMINISTRATION, AND RELATED AGENCIES  
  
WASHINGTON, DC  
APRIL 12, 2013

Good morning Chairman Aderholt, Ranking Member Farr and members of the Subcommittee. Thank you for the opportunity to testify on the Fiscal Year (FY) 2014 budget request for the Commodity Futures Trading Commission (Commission). I am honored to testify alongside Chairman Gary Gensler and provide my perspective on the Commission's funding request and budget priorities.

For FY 2014, the Commission is seeking a 52.5 percent increase above the current year funding level of \$206.5 million. The Commission sought similarly large increases in past requests. Although the Congress has not provided full funding, additional funding resources have been provided to support our expanding mission.

In FY 2007, prior to the 2008 financial crisis, the Commission received \$97.7 million and supported 437 full-time equivalent (FTE) staff and 59 FTE contractors. Today, after consistent funding increases, the Commission is operating on \$206.5 million (+111%) and supports 707 FTE staff (+62%) and a further 200 FTE contractors (+239%). Funding for technology has also grown during this time, and I appreciate Congress setting aside specific funding levels since FY 2011 to encourage the Commission to focus on technology as a key component of its surveillance and oversight program, but we have a very long way to go to develop a credible, detailed business plan that focuses on how both staff and technology resources are integrated to meet mission objectives.

**Budget Requests Should Specify Priorities**

I did not vote for the Commission's FY 2014 budget request for two reasons. First, I believe the requested funding level of \$315 million, an increase of 52.5 percent from current year funding, is both improbable and unsustainable. Second, this budget fails to provide specifics and makes a broad, unsubstantiated appeal for more resources without the requisite demonstration of either mission priorities or essential deliverables. This shortcoming is especially glaring in the area of how regulatory objectives are met through the integrated use of staff and technology, as I discuss in detail below. The budget request presents everything as a priority and provides no metrics by which to measure the Commission's success or failure.

As the former Clerk of the Senate Energy and Water Subcommittee, I know first-hand the challenges you face to allocate scarce resources among agencies and commissions seeking funding increases to support their missions. These are not easy choices, and they are made even more difficult with today's acute deficit pressure.

Now, in my position as a regulator, I am working to make sure that the Commission is a responsible and effective steward of taxpayer resources. For you to have confidence in our mission, we must develop a credible, transparent and specific budget request that we are able to execute in fulfilling our statutory mission. We must demonstrate the importance of our mission, our specific plan to achieve our mission, and the likelihood of our success.

I do believe there is a strong case to be made for the importance of our mission. Expanding our mission to oversee the swaps markets, along with existing oversight of the futures and options markets, is significant and can provide improved risk management and oversight of our financial system. It is also apparent that this expanded mission cannot be accomplished without modest increases in resources for the Commission. What is questionable, however, is whether the Commission has developed a sufficiently clear plan to achieve this mission, and a sufficiently detailed budget request to reflect such a plan.

**Leveraging Technology to Keep Pace with the Markets and Commission Rules**

Since I arrived at the Commission, each budget request that I have reviewed, including this one, includes a chart highlighting the stratospheric rise in futures trading as a justification for a sizable increase in our budget. It is important to understand when reviewing this chart that the rise in futures trading is strongly tied to the increasing prevalence of electronic trading and the deployment of algorithmic and high-frequency trading protocols. Execution in today's market is done electronically. Therefore, if the Commission is going to keep pace with growth and technological innovation in these markets, it must make automated surveillance the foundation of its oversight and compliance program.

Presently, high-frequency traders (HFT) are estimated to make up 52 percent of the global futures markets and 56 percent of U.S. equities markets.<sup>1</sup> As we learned in the flash crash of May 6, 2010, these markets are linked and we need to develop better oversight tools. We also need to develop a better understanding of trading strategies used by algorithmic traders, and that is not gained by solely using stale transaction data; we also need to integrate order message data into our surveillance program. Unfortunately, the Commission is not funding its order messaging collection effort, despite the fact that we know little about the trading behavior of high-frequency trading algorithms.

In addition to overseeing a high-speed electronic marketplace, the Commission has expanded the amount of data being reported to the Commission, not to mention expanding the oversight of many new trading venues. With all the new forms and data that the Commission has required, it will be like looking for a needle in a haystack if we fail to automate the collection and analysis of this data. We must prioritize our regulatory objectives in this area, and develop a business strategy that maximizes technology to meet those objectives.

Automation should also be the priority for existing forms and data. We have made progress on this front, but more needs to be done. One of the current forms that is not automated drives our widely read Commitment of Traders Report. This remains a labor intensive endeavor that should be fully automated sooner rather than later.

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<sup>1</sup> Financial Stability Oversight Council 2012 Annual Report, pg. 88 (citing study by Aite Group).

## **Solving Our Big Data Challenges**

Today, tens of millions of trades are being reported per week to swap data repositories (SDRs). While we have a long way to go before we can make sense of this new data, we must rely on the SDRs to manage the data for the Commission because it is outside the Commission's capacity to integrate the data into our own systems.

One of the foundational policy reforms of Dodd-Frank is the reporting of over-the-counter trades to SDRs. The goal of data reporting is to provide the Commission with the ability to look into the market and identify large swap positions that could have a destabilizing effect on our markets. While the rules have been finalized and swap dealers have been submitting data since January of this year, the work to make effective use of SDRs is just beginning.

The harmonization of data from dealers and end users into SDRs must be a top priority of the Commission and industry so that Dodd-Frank objectives can be realized. Furthermore, the technology capabilities and reporting done by SDRs must be standardized to provide regulators a view across repositories that facilitate data aggregation and oversight.

As head of the Commission's Technology Advisory Committee (TAC), I will make it a TAC priority to help resolve the outstanding challenges and to achieve these goals. The TAC's next meeting is on April 30, when we will hear from market participants, SDRs, and Commission staff on current challenges and discuss steps to address them. Beyond this meeting, I will continue to commit the TAC's focus and energy toward the Commission's efforts to make effective use of SDR data.

Correcting our shortcomings in utilizing our data demands sustained and focused attention on this matter. First, it requires a team of staff that can work to better organize the data to ensure it is being reported consistently and completely. Next, the data must be in a form and format that can be easily used by the Commission. Finally, the team should focus on developing analytical reports that can serve our highest priorities in terms of market oversight and risk analysis. In FY

2013, Congress provided more funds than have ever been previously applied to technology – these funds can be used to attack our data problems.

The Commission will not succeed in its mission unless it makes technology its top priority and works to integrate it into every aspect of its oversight mission. Technology provides leverage for our workforce to oversee multiple exchanges, clearing houses and intermediaries.

### **Protecting Customer Segregation Funds – There Is an App for That**

I believe the Commission has only scratched the surface of the technology applications we can develop and deploy. This belief has been confirmed by a new industry initiative deployed this year to monitor and protect customer funds. In response to the Peregrine Financial fraud and the misuse of funds by MF Global, the National Futures Association (NFA) and the CME Group, two self-regulatory organizations (SROs), were able to implement a customer segregation surveillance system to reconcile, on a daily basis, the balances claimed by the futures commission merchant (FCM) and the custodian bank. Today, FCMs and banks automatically push out daily balances that are reconciled by an independent third party alerting the SROs to the slightest deviations in the expected balances of both cash and securities.

This technology solution was 100 percent paid for by the industry and developed without a federal rule. It highlights the great potential of technology to help us perform our oversight responsibilities in an efficient manner given our limited resources.

Contrast this with the solution offered by the Commission as part of its proposed customer protection rules.<sup>2</sup> The proposed rule calls on Commission staff to manually log on to the thousands of custodian accounts using an account password. This is totally unworkable from a staffing and resource standpoint, not to mention the cyber security concerns it raises. In developing our rules, we must consider and plan how we will conduct our oversight activities and just like our cost-benefit analysis, we must consider the feasibility of our proposals given the resources available.

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<sup>2</sup> 77 FR 67866 (November 14, 2012).

### What Is the Actual “Technology” Investment?

Beginning in FY 2011, the Congress has set minimum thresholds for the Commission to spend on “technology.” The FY 2011 appropriation provided that “not less than \$37,200,000 shall be for the highest priority information technology activities at the Commission.”<sup>3</sup> The FY 2012 appropriation provided that “\$55,000,000 shall remain available for information technology investments until September 30, 2014.”<sup>4</sup> Just one month later, the \$55 million was revised downward to allow the Commission to transfer funds “not to exceed \$10,000,000” from technology to meet personnel costs.<sup>5</sup>

The Commission has taken a liberal view of the term “information technology” stated in the appropriations. Essentially, the Commission believes that every bit of technology ranging from our servers and network to copiers, telephones, blackberries and desktops fit within the definition of “information technology.” While the Commission is able to include contractor services (\$47.8 million) in the technology budget, it does not do so for federal salaries (\$29 million).

The technology account is surprisingly personnel intensive. Combining the numbers for federal staff and contractors, the Commission pays 76 cents of every technology dollar to staff, with the remaining 24 cents for actual technology.

#### Personnel Impact on Technology Budget

	<u>FY 2012</u>	<u>FY 2013 CR</u>	<u>FY 2014 Request</u>
Overall IT Budget	\$66.1 M	\$64.4 M	\$102.0 M
Contractors w/in IT Budget	\$33.7 M	\$29.5 M	\$47.8 M
Federal IT Staff	\$15.0 M	\$19.4 M	\$29.0 M
<b>Remaining for Technology</b>	<b>\$17.4 M</b>	<b>\$15.5 M</b>	<b>\$25.2 M</b>

What, then, is left for new cutting-edge technology? Based on the FY 2014 proposal, the budget provides about 50 percent (\$51.4 million) of the total IT budget (\$102 million) for “Data Infrastructure,” which the proposal explains as “delivery of services around network

<sup>3</sup> P.L. 112-10, Full-Year Continuing Appropriations Act, 2011.

<sup>4</sup> P.L. 112-55, Consolidated and Further Continuing Appropriations Act, 2012.

<sup>5</sup> P.L. 112-74, Consolidated Appropriations Act, 2012.

infrastructure and operations, telecommunication and desktop and customer services.”<sup>6</sup> Subtracting the 50 percent of the \$25.2 million non-personnel amount that would go toward “Data Infrastructure,” the Commission is left with approximately \$12 million for new, cutting-edge technology tools to implement Dodd-Frank as well as to carry out its existing oversight responsibilities.

Granted, technology cannot operate without people and the Commission’s existing network is essential to support Commission-wide initiatives, but I believe it is useful to understand how the spending of technology resources relates to Congressional directives and Commission regulatory priorities.

### **The Commission Needs a Specific Five-Year Technology Investment Plan**

Given these significant shortcomings in the current budget request, it is essential for the Commission to develop a credible mission strategy that fully considers how technology can facilitate meeting Commission priorities. I recommend the Subcommittee direct the Commission to develop and submit a detailed five-year strategic plan focused on technology, with annual milestones and budgets. This plan must require each division/office within the Commission to prepare a detailed technology strategy in order to develop a 21<sup>st</sup> century surveillance and risk management program.

As part of this plan, it is imperative that the Commission provide greater transparency into the use and priorities of technology funding. The opacity of the current submission, which is not limited to the technology budget, provides no sense as to the priorities or initiatives.

Appendix Four in the Commission’s budget submission identifies key concepts to develop the technology plan sooner rather than later. The concepts identified in the appendix contemplate industry developments and should be the foundation for the development of our own technology strategy going forward.

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<sup>6</sup> FY 2014 President’s Budget Request and Performance Plan, pg. 51.

### **Leveraging the National Futures Association**

One other point that I would like to highlight for you as you consider the Commission's budget is the role of NFA. NFA is a self-regulatory organization that enhances the Commission mission by registering, licensing and overseeing over 60,000 registrants in the futures and swaps markets. Its annual budget of \$75 million (for FY 2014) enhances our mission, especially in terms of registration and oversight responsibilities.

Soon NFA will also provide surveillance for eighteen of the likely SEFs. NFA has established a rigorous testing and oversight program to ensure it can see all transactions across all SEFs registered with NFA. This capability, which presently is well beyond the technology capability of the Commission, will greatly enhance the Commission's oversight mission. NFA also has primary responsibility for oversight of compliance with the requirements for swap dealers and major swap participants. While it is unclear from this budget submission, I hope the Commission is not duplicating NFA's efforts when staff resources can be used in other areas.

### **Developing a Rule Implementation Plan**

In its Annual Performance Report for FY 2012, the Commission conceded that it met only 44% of its performance goals for the year.<sup>7</sup> The Commission made critical staffing decisions to focus resources on Dodd-Frank rulemakings at the expense of examinations and other pre-existing oversight responsibilities. For example, the report explicitly states: "[d]ue to the priority placed on rulemaking and SDR registration, functions outside those activities, including the review of major DCMs [exchanges], were extremely limited during the fiscal year."<sup>8</sup> This is not encouraging, to say the least.

However, the report acknowledges that "the CFTC is shifting toward implementation of rules, as well as the direct oversight of the swaps market."<sup>9</sup> Although it is unclear from this budget

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<sup>7</sup> FY 2012 Annual Performance Report, February 2013, pg. 15.

<sup>8</sup> FY 2012 Annual Performance Report at 32.

<sup>9</sup> FY 2012 Annual Performance Report at 16.

proposal, I am interested to see how the Commission will reallocate its resources to support the new oversight mission.

This shift is being prompted not by a change in strategy, but rather by the reality that the Dodd-Frank rulemaking process for major rules is now nearing its end. To date, the Commission has proposed approximately 65 rules and finalized more than 40 rules. It has also issued over 80 exemptions, staff no-action letters, Q&As and guidance documents. This parallel track of ad-hoc and often last-minute exemptions has made the rules look like swiss cheese, leaving market participants uncertain as to the application of the Commission's rules.

Therefore, putting forth a comprehensive and transparent implementation plan could be very significant in providing clarity and certainty to the markets and helping market participants improve their compliance efforts. Such an implementation plan could be of greatest benefit to end users, which do not have the resources to devote an army of compliance staff to deciphering the Commission's rules. It could also help focus the Commission on its own priorities and facilitate the development of the technology-focused business plan I suggested above.

### **Sequestration**

I would like to make a brief comment about the impact of the sequestration on the Commission's budget. The Commission is an organization of dedicated, professional people. We do not make grants and we cannot delay construction. Federal employee compensation and benefits make up nearly 64 percent of our total spending.

Based on the information provided by the Office of Management and Budget, the Commission will be required to make a 5 percent reduction (or \$10 million) as part of its share of the sequestration effort. There are two main factors that will enable the Commission to continue to function without furloughs. First, in FY 2012 the Congress provided two-year funding that has enabled us to break loose of the "use it or lose it" mentality. We have \$6 million in carryover balances. Also, for the second year, the Commission has tapped the technology funds to offset

staffing needs. So far \$5 million has been drawn down and I am told to expect the remaining \$5 million to be used as well.

While I don't believe the Commission has made the case for a 50 percent increase in this budget submission, I do value the committed and hard-working staff at the Commission and am pleased they will not be impacted during this sequestration.

### **Closing**

Whether or not I agree with all of the rules, or the process they were developed under, I do have a very strong desire to see the Commission succeed in its mission. I want to ensure the Commission will wisely use the resources it is provided to execute its highest priorities. We must develop technology systems as leverage for our limited staff to oversee high-speed electronic markets. We must do a better job to develop a budget plan that makes the Commission accountable for the funding we request and spend in each division and office within the Commission.

I hope that Congress will direct the Commission to develop such a plan and support our mission by making technology our top budget priority.

Thank you for the opportunity to testify.

Mr. ADERHOLT. Thank you both for your testimony.

And we will go ahead and get into the questions. We will have a series of votes in probably another hour, so we should get at least one round, if not perhaps two rounds, of questioning in before then.

As I had mentioned—Chairman Gensler, let me start with you—as I had mentioned in my opening comments, the Commodity Futures Trading Commission request for fiscal year 2014 is 53 percent above what the agency currently receives. Since the financial crisis of 2008, CFTC has received an 85 percent increase in funds. In total, CFTC has received 833 million in taxpayer dollars since that crisis.

Looking at the American taxpayers and what they get for their money, how much money has CFTC obtained in orders imposing sanctions and other penalties in fiscal year 2012 through enforcement sanctions?

#### CFTC PENALTIES

Mr. GENSLER. Mr. Chairman, I might need to get back to you with a specific number, but just in the cases related to interest rate benchmarks, between the Department of Justice and our actions, it was \$2 billion from June of last year to this February or March.

So in fiscal 2012, the first piece of that was the Barclays case, which was a \$200 million fine from us and \$150 million from the Department of Justice. But I will get the full number.

Ah, here it is. Very good work.

Last year, in 2012, was penalties collected, \$258 million.

Mr. ADERHOLT. How much in customer funds were missing in fiscal year 2012?

Mr. GENSLER. Again, we might need to get back to you because the Peregrine failure, the funds in that circumstance are still being sorted out by the bankruptcy judge and so forth. But there was close to a \$200 million shortfall in Peregrine during fiscal 2012.

And then in the earlier circumstance of MF Global, I am not participating in it, but I believe maybe Commissioner O'Malia could comment on that.

Mr. O'MALIA. The trustees are working through the final solutions. And I believe we had a \$700 million hole overseas that is being clawed back, and I think overall customers have received up to 80 percent of the funds back.

Mr. ADERHOLT. But as far as a ballpark figure as far as the funds that were missing in 2012, do you have a ballpark of what that might be?

Mr. GENSLER. I think it might be easier for us to get back specifically, but the Peregrine situation was initially as much as \$200 million. But then the actual available is somewhere between 30 and 40 percent, so it would probably be more like \$150 million.

And then Commissioner O'Malia might do the estimate on the other one.

Mr. O'MALIA. I think the initial hole in MF Global, is \$1.5 billion, and then we have brought some of the funds back. So I think it is best that we provide you final numbers.

Mr. ADERHOLT. We had some numbers of somewhere in that ballpark, 1.5, 1.8. Would that be reasonable, that that could be—

Mr. GENSLER. Well, in any circumstance there is an amount of customer funds, and then there is the actual, under the trustee and bankruptcy provisions, how much actually is there, which takes time. So I think you may be referencing the initial numbers as contrasted to how much has come back through—

Mr. ADERHOLT. Yeah, the initial numbers is what I am looking at, or what my question is, the initial numbers.

Mr. GENSLER. I see. But the actual shortfall might be what we were talking about.

Mr. ADERHOLT. Okay. But as far as initial numbers, 1.5, 1.8 would probably be somewhere in the neighborhood of what the number that we are talking about?

Mr. O'MALIA. Yes, that is correct.

Mr. ADERHOLT. I see my time—and I know we have a couple of Members that will have to slip out, so let me recognize Congressman Farr.

Mr. FARR. As long as we are talking about swaps, I am going to swap my time with Mr. Bishop, who has to go to MILCON.

#### INTERNATIONAL TRANSACTIONS

Mr. BISHOP. Thank you very much, Mr. Chairman.

And thank you, Mr. Farr, for yielding to me.

And welcome, gentlemen. And I will be brief, and I apologize because I have to leave.

I kind of want to talk with you about the separate rules that are in place for the CFTC and the SEC governing international transactions. So for Chairman Gensler and Commissioner O'Malia, I have a question for each of you, and I will try to be very brief with it.

Chairman Gensler, both CFTC and SEC have been separately involved in developing new rules governing the extraterritorial application of Dodd-Frank. There is a considerable amount of concern expressed not only by the industry but by Members of Congress, as well, as to why the CFTC and the SEC won't consider issuing joint regulations in this regard, avoiding duplications or contradictory regulatory obligations for international market participants.

So could I get you, Chairman Gensler, to explain to the subcommittee what the justification is for the two separate sets of rules in this regard when possibly one might work?

And then for Commissioner O'Malia, quickly, it is my understanding that the CFTC has proposed a swap execution facility regulation that would require customers to solicit prices by issuing requests for quotes from a minimum of five market participants. The SEC has proposed a different rule that will permit the SEFs to naturally evolve their execution mechanisms for the swaps that are widely traded.

Do you support the efforts to modify the original CFTC proposal? When do you expect CFTC to act to consider the final rule related to the SEFs?

So, gentlemen, thank you.

Mr. GENSLER. I thank you for the question.

The cross-border application of these rules is critical, in that risk knows no geographic boundary. And in the midst of the crisis, whether it was the big insurance company AIG, whether it was

Lehman Brothers, whether it was Citicorp, or many years ago a hedge fund called Long-Term Capital Management, often the risk was offshore and it came back here to affect our markets. In one recent downturn in which AIG was a central actor—8 million people lost their jobs. AIG was operated out of London, out of the Mayfair neighborhood, still the U.S. taxpayers put \$180 billion into it. It is remarkable that that risk comes right back here.

So why might we be different than the Securities and Exchange Commission? At least two reasons. One is the law is different. Dodd-Frank actually put expressly a provision in for the extraterritorial reach of swaps but not securities-based swaps. Literally, Congress put different words in the statute. And we are seeking to interpret that. Two is we oversee the interest rate swaps markets, the credit markets, and so forth, 95 percent of the overall swaps markets. The SEC has an important but smaller piece, about 5 percent, around single-named credit default swaps.

This is what we do as a jurisdiction. The SEC has so many other things to be done. We are nearly complete with our rulemakings and need to complete this cross-border application. If we don't cover JPMorgan and Morgan Stanley and Goldman Sachs and Bank of America and other major financial firms operating out of offshore venues, if we don't cover U.S. hedge funds with a P.O. Box in the Cayman Islands, if we don't cover them in some way, you may as well repeal Title VII of Dodd-Frank, and the American public will not be protected.

So I think that to shackle us and to do joint rulemaking with the SEC would be sort of the equivalent of saying we are not going to cover all these major institutions offshore. We think we can look to comparable regulations in London and Japan and Toronto and so forth to cover, but not all 180 jurisdictions around the globe have comparable regulations.

And on swap execution facilities, I think it is a matter of promoting the best pre-trade transparency to help the markets. But I know that question was more for Commissioner O'Malia.

#### SWAPS EXECUTION FACILITIES

Mr. O'MALIA. If I might touch on the extraterritoriality definition, it would be extraordinarily difficult if we had two different definitions of how the rules should apply and who should they apply to—what is the U.S. person. To have two agencies here in the United States defining a U.S. person, I think, would send a mixed message to the market, and it might be more difficult to enforce.

With regard to the swap execution facilities, the SEC has put out its draft plan. It does have a different requirement. Now, the Dodd-Frank Act did not specify a number. It had some flexibility for us to select a number. So right now the proposal is at five. We have received a number of comments and concerns regarding that as being overly restrictive, and that it might limit liquidity and price formation. But we have to debate that. It is a rule that is currently before the Commission, and I want to make sure that we follow the statute on that one and make sure that we have good, flexible rules.

I want to make sure that everybody has the opportunity to get on a SEF. I think trading on a screen is going to be better for our markets. And I think we have to have good, flexible rules, especially early, to accommodate this new market. And I want to make sure that we leave no excuse for them not to come on to our markets.

Mr. BISHOP. Thank you.

Thank you for accommodating me.

Mr. ADERHOLT. Mr. Yoder.

#### INTERPRETIVE GUIDANCE

Mr. YODER. Thank you, Mr. Chairman.

Appreciate your testimony today, gentlemen. Thanks for coming today. And I wanted to continue the conversation that Mr. Bishop was having, and I appreciated both of your answers.

Mr. Gensler, in your answer, I think you make very clear that you feel that the responsibilities are unique enough that we need to have different rules. And I think that position is one that certainly is being debated and one that there are different opinions on. So I certainly respect your opinion. I disagree a little bit in the approach.

And I wonder if you could speak to why the CFTC chooses to do a guidance as opposed to a rulemaking, which provides more opportunity for public comment, more opportunity for debate on the Commission, and to have that opportunity for the folks that are going to be impacted by those decisions to have an opportunity to be heard as part of that. And do you feel that a guidance would protect our consumers in this country better than a rulemaking process in this situation?

Mr. GENSLER. We had 50 or so places in Dodd-Frank where we were directed to do rules, and we have taken them up with vigor. Though we were asked to do it in a year, we didn't want to do it against a clock, but it is about 3 years in and most of those rules are completed.

In this cross-border area, as well as three or four other areas, there were words that market people came in and said, will you interpret them? This was not the only time we did this. So we addressed ourselves through an interpretation and I think, Congressman, did exactly what you would hope we would do, is we put that interpretation out to public comment last July. We have gotten an enormous set of input.

And, in fact, what we put out to public comment was largely based on the input from the market participants beforehand, laying out an approach to "U.S. person," laying out an approach to where our rules would apply and not apply and, importantly, to something called substituted compliance.

So I do think that we have benefited from rounds of public input. In fact, in December, we put part of it back out to further comment and asked further questions about this definition of "U.S. person" so that we can get the best input. So I think we are doing what you would hope we would do and get public input.

Mr. YODER. If I might, do you then feel that the rulemaking process, which includes the added protections of the Administrative Procedures Act, is less safe than using interpretive guidance?

Mr. GENSLER. No, we are actually using the Administrative Procedures Act to do this interpretation. So we have benefited from the public input—

Mr. YODER. Mr. Chairman, if I might—

Mr. GENSLER. I am sorry.

Mr. YODER [continuing]. As related to a rulemaking versus a guidance in this regard.

Mr. GENSLER. I think that the Administrative Procedures Act helps us in rulemaking and interpretations. This was a situation where somebody said, can you interpret these key provisions of section 722(d). It is this section about what has a direct and significant effect on U.S. commerce, therefore what is the scope of regulation.

So I think there are both rules and interpretive guidance. We didn't have to seek public comment, but we thought that that was the right thing to do, and we have really benefited. Then we sought further public comment, as well, in December.

Mr. YODER. And then I want to get Mr. O'Malia's response on that, as well. But regarding the other topic, the SEC and CFTC's coordination on this issue, your stated emphasis on being more particular at the CFTC on having distinct guidances that might be inconsistent with SEC or distinct from SEC rules, do you think that the coordination and the increased ability for the SEC and the CFTC to be on the same page is somehow more dangerous than less coordination between the two agencies?

Mr. GENSLER. Well, we have had tremendous coordination from the very beginning when Dodd-Frank passed. We have shared with the SEC our drafts, our term sheets. We meet with the SEC consistently and in international forums. I look forward to working with Mary Jo White, but Mary Schapiro and Elisse Walter and I have traveled to Brussels and London and Paris and Toronto together to so many meetings. And on these cross-border issues, we actually participate through IOSCO together.

So there is much that we have actually done together, but there will be some differences because the securities markets and the futures markets do have some differences and also because the law in this circumstance was written slightly differently. But we do greatly benefit from the work with the SEC.

Mr. O'MALIA. Well, on this issue, we do have a difference of opinion in terms of our process. The chairman is correct, we did put out guidance in order to flesh out some of these details, and we did apply a comment period that is consistent with the Administrative Procedures Act.

Now, I would have preferred we went out straight with a rule. I think we have been very specific, and we have done very specific rule-like activities in this guidance. And I would have preferred that we would have fully embraced the Administrative Procedures Act for rulemaking and worked under those guidelines.

There are several things that are in here that are more specific, and yet they are in guidance. And I also think that we have also missed some opportunities to be more specific. The chairman is correct that the standard of direct and significant should be interpreted. The way Congress drafted that language was a limitation on our authority. You can only apply your rules to the extent it has

a direct and significant impact on our economy. Now, we have applied that to be from the first trade, essentially. We have had no finding. What does it mean to be direct and significant? We never described that.

The next step—which really has become the crux of the debate between international regulators, and you have probably seen some of the responses from some of the international regulators, our counterparties, if you will—is substituted compliance. Where does our authority stop and theirs begin? How are we going to draw the lines and respect their jurisdiction and work within our own jurisdiction?

This has a huge impact, obviously, as you make decisions regarding our budget. Where our jurisdiction stops and starts and how we are going to be traveling the world enforcing our oversight will have a big impact. International travel and accommodation, that has a big impact on our budget. It is not specified what that would be in this budget request going forward, so it makes your job that much more difficult.

Mr. YODER. Thank you.

Thank you, Mr. Chairman.

Mr. ADERHOLT. Mr. Farr?

Mr. FARR. Rep. DeLauro, do you want to go?

Mr. ADERHOLT. Do you want to yield to her?

Mr. FARR. Sure.

#### EFFECT OF BUDGET CUTS

Ms. DELAURO. Thank you.

Welcome. It is good to see you again before the committee. And delighted to welcome you, as well, Mr. O'Malia.

Chairman Gensler, you know the Budget Control Act set budget caps through 2021. They are estimated to cut nondefense discretionary spending by roughly 5.4 percent in real terms. If a long-term budget deal is not made, sequestration and the budget caps will cut nondefense discretionary spending by a total cut of 10.6 percent below the 2012 level.

Your budget request is impossible to be met under those circumstances; is that correct?

Mr. GENSLER. That is a choice for this committee and Congress, as to how you allocate. But under those types of cuts, it gets a lot harder, a lot harder for you, for sure.

Ms. DELAURO. And we don't know whether or not there will be a \$6 million surplus, as is currently said that there is. Is that right, Mr. O'Malia?

Mr. O'MALIA. I think we had \$6 million in carryover balances.

Ms. DELAURO. Carryover balances.

Mr. GENSLER. Oh, yes, from 2012, we carried over—

Ms. DELAURO. You may not have that luxury.

Mr. GENSLER. I think at the end of this year—we have been, I think, cautious and prudent that we have been able to plan that we are not going to have furloughs through September 30th but, in part, because we carried over \$6 million from fiscal 2012 into fiscal 2013. We will not have that type of carryover into fiscal 2014. And I think, absent some real help from this committee, we will be in a furlough and maybe even a RIF situation.

Ms. DELAURO. Okay.

What will happen to your oversight of the swaps and commodities market in the next decade if these cuts remain in place? In your view, are we setting ourselves up for another financial crisis?

Mr. GENSLER. Well, I don't know about crisis, but I would say this: We cannot effectively ensure for the transparency and the integrity of the markets at significantly fewer people than we have now and significantly less technology than we have now. And under the current numbers, we would have to continue to shrink.

Ms. DELAURO. Will these cuts limit your ability to properly oversee the swaps market? Will we see fewer enforcement actions like your recent engagement regarding the LIBOR scandal?

And may I offer congratulations on the LIBOR scandal and the work of yourself and the Commission.

The questions, though, are: ability to properly oversee the swaps market; will you see fewer enforcement actions like the effort with regard to LIBOR?

Mr. GENSLER. We always have to prioritize and use taxpayers' money prudently and effectively, but as resources shrink, we certainly—there are more challenging, interesting cases in front of our enforcement division every day partly because of our expanded scope to swaps. And as the chairman said, even as you move to electronic trading, there are still very interesting and complex items that come to our attention. We have a new whistleblower program, as well.

And so, in making those priorities, we have to sometimes delay justice. What that old line was, justice delayed is justice denied.

Ms. DELAURO. Right.

So if we don't, for a third year in a row, provide you with the resources to complete your congressionally mandated expanded mission, what won't get done? How will your oversight of the swaps and futures markets be curtailed?

Mr. GENSLER. We don't have enough people to examine the major clearinghouses that Congress said we have to go in annually for examination. Customer funds, as the chairman and all of us know, last year we had these two major circumstances. We have to do a better job at the CFTC and at the self-regulatory organizations with regard to customer funds and actually go in, I think, and help with more examinations as well. We won't have the resources for enforcement.

And all that Commissioner O'Malia said that I agree with, most of it, about technology, we won't have the resources for that technology for analyzing the data, taking the data in, and helping the public see that data in relevant aggregate forms.

Ms. DELAURO. Uh-huh. Uh-huh.

My time, well, it is up, so I am hoping that we will get to a second round. Thank you.

#### MARKET PURPOSE AND VOLATILITY

Mr. ADERHOLT. Mr. Fortenberry?

Mr. FORTENBERRY. Thank you, Mr. Chairman.

Good morning, gentlemen. Thank you for your testimony.

Since, Chairman Gensler, you began with some basics, I would like to start out with a basic question, as well.

Given that the fundamental purpose of the futures markets and swap markets are to mitigate risk, derivatives market are to mitigate risk, given that the traditional number of hedgers to speculators is inverted, and given the explosion of the swap market, are these markets actually achieving the end result of decreasing volatility by mitigating risk?

Mr. GENSLER. It is an excellent question that academics address themselves, and you have some on both sides of that debate.

I think that we are not a price-setting agency at the CFTC. Our key goal and mission is to ensure that the prices in that market reflect the forces of supply and demand. And though, as you rightly say, in some of the markets, 80, 85 percent of the markets are non-producers, non-farmers and -ranchers and -merchants; they are financial companies. Sometimes they are swap dealers, sometimes they are pension funds, sometimes they are hedge funds, but a significant amount is non-producers and -merchants.

I think that adds to the reason why you want an effective CFTC, to ensure that there is not fraud and manipulation, that those markets competitively reflect the forces of supply and demand. And I fear that if we were to not get additional resources, it is harder to ensure for the integrity of these markets.

Mr. FORTENBERRY. Would you care to comment on this proposition as well?

Mr. O'MALIA. Well, it is something that we have been looking at. The markets are changing. We have heard from producers frequently that I don't feel that these markets fit me as well as they did in the past. And that is a real concern. When producers and hedgers say that they don't feel comfortable in their own markets which were created for them, that is troubling and that bears investigation.

We are using a technology advisory committee, which I am the chairman of, to dig into that, to look at some of this trading, how the markets have evolved and what is driving the change in the markets. They are electronic. They are moving at high speeds. And people are very concerned about the high speed of orders coming into the market and the decreasing size of the trades. And they don't feel that, in many respects, the hedgers are getting a fair deal. We have heard that. We want to investigate it, and we are going to get to the bottom of that. And we are going to use the technology advisory committee to investigate that.

Having said that, one area of technology where I think we need to focus, which we are not doing today because of the shift from technology to personnel, is in the order data. I think that is an area where the high-frequency traders and automated traders execute their strategies. And it is the order data that we should be looking at, and that is useful to us to understand how this has changed the markets for hedgers. The data we receive today is stale. It is transaction data. We can do a better job of understanding the impacts that people are facing in the market today.

Mr. FORTENBERRY. Well, I encourage you, as you guide this technology committee, to stay tethered to the fundamental purpose that these markets exist. The reason is that they are supposed to decrease volatility by mitigating risk, not increase volatility by creating products that are spinoffs that are so complicated no one can

understand and they take advanced algorithms where there is a time delay before it can be unpacked by the regulator or anybody else who has a legitimate use for hedging risk.

I mean, I think we all have to continually remind ourselves that that is why we are doing this.

Mr. GENSLER. I agree with you, Congressman, that the reason to have this agency and why it was set up, why our predecessors were set up in the Department of Agriculture so long ago was to make sure that a farmer can lock in the price of corn at harvest time, as you say, and then focus on their crop; and, in the modern day, that a small business can lock in whether it is an interest rate or currency and say, good, now I can focus on what I do well and innovate in my—

Mr. FORTENBERRY. Right.

Well, I will close with a quick anecdotal story. In the midst of the financial crisis, I had one of our Chamber groups out here with some bankers, and I asked them a question. I said, how many of you use synthetic collateralized debt obligations? They didn't know what I was talking about. And I said, thank you.

Because, again, the basics of these markets center around three fundamentals. It is capital, time, and interest rates. That is it. It should be basically that simple, going back to the fundamentals.

Mr. GENSLER. I agree. I grew up, my dad had a small business in Baltimore, and he never used collateralized debt, you know, et cetera.

Mr. FORTENBERRY. If I could summarize your two positions, though—right quick, Mr. Chairman, if you will indulge me for a moment more—given the explosion of the swaps market, the derivatives market, your job is made more complicated, you need more resources, particularly on the technology.

Mr. O'Malia, you agree with that basic proposition, but you are urging the Commission to state the specifics more clearly and how the outcomes are going to be measured.

Is that a fair summary?

Mr. O'MALIA. It is.

Mr. GENSLER. I think so.

Mr. FORTENBERRY. Thank you, Mr. Chairman.

Mr. ADERHOLT. Mr. Farr.

#### IMPORTANCE OF THE CFTC

Mr. FARR. Thank you, Mr. Chairman.

This discussion can be seen as awkward because you are coming in and asking for a 52 percent increase in a climate where all we are doing is cutting, squeezing, and trimming everything. We realize that you can't do that across the board. We just gave a multibillion-dollar increase to the Defense Department, gave them flexibility with how to spend it. You have a lot of people trying to beat up on you because you are setting regulations in a field where some of these people don't want to be regulated.

There are really people out there in the market who are the beneficiaries, the market participants, who need those regulations. And I wondered if you can give us some specific examples about the importance of having a well-resourced CFTC as it applies to market participants.

Mr. GENSLER. As Congressman Fortenberry was talking about, whether it is a small business that is just now entering into an interest rate swap to help put, you know, a \$5 million or \$10 million business, a building, or even a \$1 million building in a community, they often use an interest rate swap with a community bank. And we have made sure in our rules that that community bank didn't have to bring it to central clearing.

That community bank and that small business in that community will benefit from the transparency in the marketplace and get better pricing. And even 1 basis point or 2 basis points on an interest rate swap adds up. In a \$300 trillion marketplace, even 1 basis point, that is 1/100th of 1 percent, is \$30 billion a year to the U.S. economy. So it is because of the law of large numbers that it can benefit.

And then, of course, our traditional markets, in the energy markets and the agricultural markets, it is for the local utility company, it is for the farmer or grain elevator operator to have confidence that the market is free of fraud, manipulation, and they can have some confidence that the price set there is not manipulated.

In the LIBOR circumstance, we found that it was rigged, pervasively rigged, by large banks. That was not good for the American economy, it was not good for the small-business person who just says, hey, I want a fair deal, I want to know my interest rate was—I know I am not going to set the interest rate, but I want to know that the forces of the market set the interest rate, not a few bankers rigging a market.

Mr. FARR. So 52 percent is how much of an increase?

Mr. GENSLER. It is \$109 million. And that 109 is hard for this committee to find, I know. And whatever your allocation you get from the full committee is going to be less, probably, than you would like, and so it is a hard ask. But I do think it is a good investment. It is a shame you can't count any of our penalties and fees against this committee's allocations.

Mr. FARR. I don't know of any regulatory agency that is allowed to keep its fines and fees. But they have fees they can keep, but not fines, right?

Mr. GENSLER. No, we are a little bit unusual. The Securities and Exchange Commission and we still come to Congress. That is part of our constitutional system. We come and make our case for appropriations. But the bank regulators and the consumer finance board and so forth are not in the appropriations process, so they are sort of outside.

And I enjoy my time in front of this committee. I just wish I could make a better case and that you had more flexibility.

#### USER FEES

Mr. FARR. Is there a fee structure, though, that would be appropriate for the CFTC to fund itself—like the FDA?

Mr. GENSLER. I believe, though it is not in our budget, that the President this year, as he has in the past—and I believe President Bush did in his time, too—recommended some fees to be collected on transactions to help defray the cost of our agency. If that is something this committee and the authorizers wanted to work on,

we would look forward to working with Congress in any way that you thought was appropriate.

Mr. FARR. Thank you.

Thank you, Mr. Chairman.

Mr. ADERHOLT. Thank you.

Mr. Nunnelee.

#### SEQUESTRATION

Mr. NUNNELEE. Thank you, Mr. Chairman.

Commissioner, just describe for me briefly your planning, say, in the 6 months leading up to sequestration. What did you do? How did you prepare for it?

Mr. GENSLER. We spent a lot of time with our executive director, our head of technology, and our human resources folks thinking through, if sequestration were to happen, what does it mean for us?

And so we consciously were conservative about back-filling staff, and we let that sort of taper off about 4 or 5 percent into sequestration. We were aware also that we came into the year with some modest carryover because you were good enough at this committee and elsewhere to give us 2-year money.

So, fortunately, we weren't in a position that so many other agencies had to furlough. But I don't think that would be the case coming in 2014. We sort of have enough to get to that point.

I hope that answers your question.

Mr. NUNNELEE. Mr. O'Malia, do you have anything to add to that?

Mr. O'MALIA. Well, obviously, coming here and asking for increased technology budgets and the importance of that to integrate into our oversight program, it gets a little frustrating when we have to shift technology resources to consistently cover staff increases. I understand completely that we can't operate this commission without the staff. However, picking priorities and making certain going forward in tough budget environments that we are going to be able to use technology in a very important and leveraged fashion to enhance the capability of staff would be useful.

Congress has given us the flexibility, so I respect that. But I hope going forward that we continue to make sure that that is on equal footing—in fact, a priority of our enforcement and oversight program.

#### ENFORCEMENT

Mr. NUNNELEE. Chairman, it is my understanding that in testimony before one of the Senate committees you said, in response to a question about sequestration, that you have shelved some cases. And you made a comment recently that one could easily blow a hole in the bottom of reform like a gaping hole in the bottom of a boat.

So isn't shelving these cases actually blowing the hole in the bottom of reform?

Mr. GENSLER. We are constantly faced, as any law enforcement agency is, with making priorities as to which cases to pursue. But what we have found, because of the financial crisis of 2008 and because of the passage of Dodd-Frank and some of the changes in the marketplace, that we are increasingly faced with complex cases,

complex investigations and we don't have sufficient staff to address them.

It is not as much related to sequestration as just, generally speaking, we have—I think our enforcement staff, about 154 people, is about where it was 11 years ago. And with the crisis and the passage of Dodd-Frank, we have an overabundance of complex cases in front of the agency, as these LIBOR cases have shown.

In terms of blowing a hole in Dodd-Frank, that was more a reference on this cross-border area because there are 188 jurisdictions around the globe. Most of the large U.S. financial institutions have between 2,000 and 3,000 legal entities. And they can just drop a legal entity in some jurisdiction, whether it is the Cayman Islands or Mauritius or somewhere, and do their business there if they wish. But then the risk comes right back here. That is what happened in AIG and these other circumstances. So that was the reference I was making.

Mr. O'MALIA. With all due respect on enforcement, we have taken a very aggressive stance. I think in your budget on page 25, you will see that we have filed a record number of cases, pursued a record number of investigations, and, as we have discussed, issued a record number of penalties. We take enforcement very seriously. We are pursuing Dodd-Frank enforcement today.

So we have a very robust and aggressive enforcement program, and that is appropriate. I have not been told by our director of enforcement that we are giving up cases due to budget constraints.

Mr. NUNNELEE. Thank you.

Thank you, Mr. Chairman. Yield back.

#### TECHNOLOGY

Mr. ADERHOLT. Commissioner O'Malia, let me address this next question to you.

First of all, with a marketplace that trades 80 percent electronically and the Commission already at record high staffing levels, I wanted to take a look at the Commission's current standing on technology. Of course, you chair the technology advisory committee of the Commission, so I wanted to particularly point this to you.

For the last 3 fiscal years, this committee has fenced off \$147 million for technology. To the committee's dismay, the Commission has transferred \$31 million from IT to pay for staff and also for other purposes. In 2011, CFTC told the committee that over 5,000 forms per quarter, or 20,000 per year, were received via hard copy and entered into a database by hand. With 82 percent of the Commission's staff being paid more than six figures annually, this seems to be an astonishing waste of resources.

As chairman of the CFTC's technology advisory committee, as I mentioned, can you tell me if the Commission has made any improvements in using technology processes to replace costly and burdensome hand-entry methods?

Mr. O'MALIA. Thank you very much for that question.

When I first arrived at the Commission, I was astounded to find out that we were receiving many of our forms via facsimile or PDF. That is an electronic version, but it doesn't automatically populate our surveillance systems. And in the 21st century, surveilling 21st-century markets that trade at microseconds, it is unacceptable that

we have a fax-based form and compliance program. There are too many errors. It is too labor-intensive for us to receive faxes, enter in the data, and then begin to do our analysis. The forms should automatically populate our systems.

I raised that in the very first year that I arrived, and I think we have actually made significant progress through modest increases in technology that this committee has provided to focus on that.

Now, we have a very long, long way to go before we are in a position to have a 21st-century electronic surveillance program. And with Dodd-Frank, that changes that even more, to integrate the swaps and futures markets to really understand how people trade and operate. We are making progress, and I think that is why technology has to be absolutely our top budget priority.

Let's talk about a 5-year budget plan that really lays out the strategy going forward. This budget tells you exactly what we have done in the past. It does nothing to tell you about where we are going in the future, and that is our real shortcoming. What is it going to take to be a 21st-century technology-based regulator? How many people, what kind of systems, and when can we install it? And how much is it going to cost? That is what you need to know. That is what we need to know.

Where in this budget is technology a priority? You cannot see any priorities in this budget. Everything is a priority. And, therefore, it is going to be difficult if you have limited resources or are concerned about sequestration cuts or modest increases. How are you going to apply them? What comes first? What comes second?

It is a very difficult balance, but we are not giving you the tools and information you need to make well-informed decisions about how much this is going to cost and where we are going to be in the next 5 years.

Mr. ADERHOLT. Chairman Gensler, would you like to add something?

Mr. GENSLER. I agree with Commissioner O'Malia that we have made progress but we are not where we need to be.

Of this approximately \$195 million that we have this year, that is with sequestration, approximately \$63 million or \$64 million, or one-third of it, is technology. Now, that technology is sometimes outside services; some of that technology is our in-house full-time equivalents. But about \$63 million or \$64 million of the \$194 million.

So there is no disagreement here that we need to keep bolstering and moving forward on technology. We do actually get daily transactions and daily open interest electronically. But Commissioner O'Malia is right and the chairman is right; we need to continue to make progress on other forms that need to be electronically populated and so forth.

And I think that that total of \$63 million internally and externally spent on technology, we have requested closer to \$100 million out of the \$300 million total, will be well-used if we are able to get part of it or all of it.

Mr. O'MALIA. If I may, in my testimony I have broken out how we spend the \$102 million on technology. And it took some work to get it out of this budget document because it actually isn't ex-

placit in this budget document. You can't really tell. And we have asked. We are working with staff.

\$102 million breaks down to roughly 76 cents of every dollar we are spending goes to staff. That is people. Now, again, you cannot run a technology program without people servicing it. Fifty percent of the overall technology budget fundamentally goes to just keeping the lights on. That is running our telephone system, our network, which of course is essential, BlackBerrys, laptops, you name it, desktops, copiers. That is in that budget, too.

So when you think about where we are going for Dodd-Frank and what we are going to tackle going forward, you really need to separate out and understand how much we are actually applying to Dodd-Frank. As best as I can calculate, it is roughly \$12 million that is actually going to hard technology, software, of the \$102 million for Dodd-Frank technology initiatives. That is not enough.

#### PLANNING

Mr. ADERHOLT. And you mentioned a 5-year technology investment plan?

Mr. O'MALIA. I think it is incumbent upon us to give this committee the specifics of where we need to be to live up to the enforcement requirements that we have laid out in our rules.

Dodd-Frank gave us a new set of rules. What is it going to take to be that 21st-century regulator? What tools do we need to invest in? What kind of people do we need? And what does the budget look like? And you need to give us annual milestones, direction for annual milestones, so you can measure our success or failure.

Mr. GENSLER. We put together a 5-year strategic plan, the Commission, around the time of the passage of Dodd-Frank, so that is 3 years or so ago. We are set to do another 5-year strategic plan early throughout the rest of this year, and then we would submit it to Congress and so forth.

Mr. ADERHOLT. Which he was referring to.

Mr. GENSLER. Even broader, because a broad strategic plan would include technology, but it would be broader covering all Commission programs.

So we are where we need to update our 5-year strategic plan, in essence, early, after about 3½ years, because now that we have not only got the passage of Dodd-Frank, but now we have a lot of experience. Our rules are largely done, market participants and data and the uses of it. It is time to update the whole strategic plan, with technology being a key cornerstone of it.

Mr. ADERHOLT. So, you know, just making sure I clarify this, when you are talking about developing a 5-year plan, yours is more comprehensive. Are you talking mainly more technology-specific?

Mr. O'MALIA. Absolutely.

Mr. ADERHOLT. And, you know, let me just ask you, Chairman, would you work with the other commissioners in trying to develop something for technology, a 5-year plan in that regard?

Mr. GENSLER. I think as it relates and it is part of the broad strategic plan. Because I think that you can't really decide how to put technology to work unless we have some shared views as to what is our overall strategy of examination and registration, enforcement, and how it fits into that strategic plan.

But, yes, as it is part of that overall, it is our full intention to be doing it as part of the strategic plan that—I can't remember the exact timing, but later this year or early to the first quarter of next year we would finalize.

Mr. ADERHOLT. My time has run way over.

Mr. Farr.

#### TECHNOLOGY FUNDING NEEDS

Mr. FARR. Well, thank you, Mr. Chairman. I want to continue along those lines.

Our oath of office is to provide for a check and balance on all things, private and public. It is also, I think, the fundamental responsibility to guarantee the national security of our country. And part of that national security is our financial security.

And as we talk about your need to have the tools, both personnel and technology. In many ways, you are like the staff of this committee. Because we are like the board of directors of the CFTC. And we really ought to be making sure that in this modern world that you have the tools you need to do the job. I want to understand what kind of risks are at stake if we fail to meet your concerns.

I just wonder if your \$125 million ask is enough. I mean, ironically, you are talking about a 5-year strategic plan. You know, the other agency that does 5-year strategic plans is called the Department of Defense.

Mr. O'Malia, you talked about having a separate budget for technology. I haven't looked at it that closely. Is it separate from the \$125 million increase?

Mr. O'MALIA. In our request, it is wrapped up in the overall total.

Mr. FARR. Uh-huh.

Mr. O'MALIA. For the last 3 years, Congress has provided bill language designating a specific amount, a minimum for technology.

Mr. FARR. Well, the numbers that you are quoting are the numbers that came out of OMB. What are the numbers? Are your numbers different?

Mr. O'MALIA. No, they are not. The number we have given—as an independent agency, we develop our own budget and we submit it to OMB. They have—you know better than I, Mr. Chairman—what they do to our budget was relatively unchanged from our recommendation. In fact, when we send our recommendation to OMB, we send an identical copy to you so you know exactly what we are recommending to OMB. So this budget is what we recommended to OMB. The only difference, I think, is the President proposed a fee structure, but not to be kicked in until next year.

One of the things and why I continue to focus on technology is I can't give you a good number on technology because I don't have any planning horizon to base that on. I have no idea how much it will cost to develop an order message system, meaning how we are going to pull in order messages, to supplement our transaction details. I have no idea how much it will cost to establish a risk-analysis system for designated contract markets or clearinghouses. I don't know how much it is going to take to integrate swap execution facilities, and the swap market with futures markets.

We haven't done the math. We don't have the details to inform you and us, frankly, what our needs are going forward.

Mr. FARR. Well, this committee has never been technology-averse. I mean, we took our Farm Service Agency, which has field offices in every one of our districts, but when they asked for a technology increase, we gave them everything they needed. And we upgraded their software all over this country.

And I think Chairman Gensler last year indicated that it is not just technology, because when you get down to these cases that you just settled and got the fines on, judges don't want to hear computers, they want to hear people testify. But, obviously, the data you are using comes from technology.

But, Mr. Chairman, this is one where we can't afford not to meet their request. There is too much at risk.

Mr. GENSLER. I share your view, but I know that it is a challenging budget environment for a committee of yours to be faced with a commission like ours coming for a request. But, fortunately, though it is 52 percent, we are a small agency, and it is \$100 million in the overall budget of the U.S., which is measured in the trillions. I know that is not what you get to allocate at this subcommittee, but I do think it is a good investment.

Technology is just a tool—

#### NATIONAL AND FINANCIAL SECURITY

Mr. FARR. In this light of national security, that is where we put more money. If it is terrorism-oriented, we will put money toward it. But we don't think of the financial world as also being part of our national security. And it is. I mean, obviously, the intel agencies monitor the markets every day. It is a big, big issue. And it seems to me you need the so-called weapons to do your mission, as the DOD does.

Mr. GENSLER. Yeah. I like your analogy. We need the weapons or tools of technology and people to oversee these markets. I think of it usually about economic security.

And it is so that people in each of your districts—and, again, it is the small-business man, like my dad was, that can just make sure that when they take out a loan, they can lock in the interest rate, or if they are a farmer, that they can lock in the price at harvest time. That is what these markets are for. There are speculators in the market, but the heart of the market, the reason this small agency exists and has existed, is to ensure that the markets work for those people at the core of it.

Mr. FARR. But when it was invented, we never even heard of derivative swaps.

Mr. GENSLER. Well, we never heard of so many things, and so much has changed even in the last 5 years. And Congress gave us a whole lot larger mission. And we will probably be grappling with this for a number of years. I just think this agency is no longer right-sized to the mission that we got. And whether we catch up with that hopefully this year or whether it takes us a number of years, it is to right-size it to the mission.

Mr. FARR. Thank you, Mr. Chairman.

Mr. ADERHOLT. Mr. Yoder.

## RECORD KEEPING REQUIREMENTS

Mr. YODER. Thank you, Mr. Chairman.

Gentlemen, I have been listening closely to this dialogue we have been having about the scope of the mission, how that has changed over the years, certainly Dodd-Frank. I think the point has been made very clearly on that.

I want to take that conversation and maybe move it into a thought process on some of the things and rules that are being placed upon some of our commercial market participants and the burdens we are placing on those folks. So these are the burdens you are placing on others versus the burdens we are placing on you, and maybe think about these things in similar terms.

And, Chairman Gensler, in particular, with regard to the oral and electronic recording requirements included in part 1.35, as you know, despite significant comments from both industry participants and others at the Commission, these requirements may be beyond the scope of anything needed to perform adequate market oversight, yet the Commission has chosen to leave them in place, placing an enormous burden on small commercial market participants, in particular, for what some see is merely a regulatory fishing expedition.

So I would like you to speak to that. And I would also like to know, would you agree that these requirements for some are going to be extremely onerous and, in some cases, actually cost-prohibitive to industry participants, and potentially have the effect of likely having these rules force some current members away from the exchanges?

Mr. GENSLER. Oral tape recordings are very important to our oversight of markets. They are at the core of these recent interest rate investigations. And so, in this rule that you mentioned, rule 1.35, we finalized in the fall and significantly narrowed—we proposed it, again, through the Administrative Procedures Act, we got a lot of comments in, and significantly narrowed it, and then finalized that in the fall so that futures commission merchants—we only have 110 or 120 futures commission merchants—as well as swap dealers—Congress specifically put in statute that swap dealers had to do oral recordings—do oral recordings.

I would like to follow up with you directly if there are issues that you are hearing from specific futures commission merchants and members of exchanges. Because our clear intent was to get the tools of law enforcement and the tools that these recordings be made by these major market participants, and not—it is not a requirement on, let's say, a grain elevator operator or a farmer or small business. But I would like to better understand, because if you can help us be our eyes and ears, maybe you have heard something I just haven't heard yet.

Mr. YODER. Sure. I appreciate that, Mr. Chairman.

Commissioner.

Mr. O'MALIA. Yes, the concerns I have heard are from small FCMs. There are two issues that have really raised their concerns recently. One is the residual interest issue and how they are going to be dealing with the payment of margin. And the other one is this 1.35 rule.

And these are the smallest FCMs. Now, we have provided an exemption for small IBs; these are the introducing brokers. But there are some elements, there are certain participants or agents of the FCM that go out, and they use regional offices, they use other facilities, and they don't have recording capabilities in these satellite offices. And those are the individuals I have heard from most recently.

And so I think that really bears careful examination to figure out, have we created an expectation that they can do this without much cost? And that could have been a failure of our own cost-benefit analysis to really thoroughly look at all of the participants in the market. And maybe they didn't get on our radar screen and we should go back and take care of that.

Mr. YODER. Okay. I appreciate those answers.

#### LITIGATION EXPENSES

And then a final question regarding your budget, in particular, and this discussion about technology and where we might need to invest to make, essentially, the CFTC more efficient. Certainly, there are some areas of the budget that don't create efficiencies, that don't provide value, and one of those, probably, areas is when we get into litigation. You know, as a lawyer, certainly I understand lawyers have to put food on the table and we have to make sure that—you know, lawyers are people, too. But the litigation costs of CFTC certainly are a factor that might drive away from other priorities.

And so I thought I might just allow you to discuss ways in which the CFTC can operate in a manner that might avoid some of these lawsuits. Or are there ways that we can find solutions that might get us past the very divisive 3-2 votes and points in which we might not be in agreement and then creating this litigation atmosphere that is costly for everyone?

Mr. GENSLER. I in no way want to create any discomfort for my friend and fellow commissioner O'Malia, but the vast majority of our rules are actually unanimous. I think 70 percent have been finalized unanimous. But there are a handful, a small handful, of 3-2 votes, but it is maybe only 10 percent of what we finalize. We work and work and work at consensus; we don't always get there. And that is the nature of five independent-minded and thorough people.

In terms of litigation, I assume you are referencing that we have had I think it is 3 circumstances where somebody has brought litigation, on 48 final rules. I think it is part of our democracy that that occurs, but it just gives you a sense of it.

We address ourselves through the Administrative Procedures Act, cost-benefit analysis, Paperwork Reduction Act, and so forth, and all of the procedures. But if somebody thinks we got it wrong, they have the right, as they should have the right, to take that into the court system.

We address issues ourselves, trying to be a very open process. I think we are nearing 40,000 comment letters. We put all the comments up on our Web site. We have had over 2,000 meetings. And we put all these meetings up on our Web site so people can see, and run as openly as we can this challenge of getting this in place.

Mr. O'MALIA. One area where I think we can do a much better job in minimizing the legal fees and increasing the compliance is to really draft commonsense, straightforward rules.

The swap dealer rule, unfortunately, does not meet that test. It is a joint rule with the SEC, yet we have come up with different solutions on what a hedge is. And that is frustrating. I know that the end-users, specifically, are frustrated by the facts and circumstances application of, are they or are they not a swap dealer? We ended up using a de minimis threshold to lower their concerns, but it is very difficult for them to figure out where dealing activities and commercial activities stop. That shouldn't be the case.

In fact, this is one area where I think Congress should actually weigh in and revisit it, because the swap dealer rule and its application is of enormous concern to the end-users. We could be much more clear about where their activities stop, and then they could reduce their reliance on their lawyers to figure out what their commercial activities actually are and are not. So I think we could do a much better job on that.

And there is a whole host of other rules. The chairman noted, of the 42 or 43 rules we have finalized, we have also had over 80 exemptions or clarifications. And that really takes a lot of the staff's time, in fact, to interpret what we actually said in the rule. It makes the industry nervous about compliance deadlines because frequently we wait right up until the end and they are very uncertain. And then when you look at the entirety of the rulemaking, understanding what rules apply to you and when, has been a very common theme among end-users, everybody, frankly. Does it apply to me, does it not apply to me?

If everybody knew what the compliance deadlines, requirements, and rules were and there were better bright lines, I think we would increase our compliance and we wouldn't waste our time, we wouldn't waste their time.

Mr. YODER. Appreciate those responses.

Mr. Chairman, if I might, do we know what the cost of litigation is to the CFTC?

Mr. GENSLER. You are referencing these two or three lawsuits?

Mr. YODER. Yes.

Mr. GENSLER. We could probably get—we haven't estimated it, but we probably could estimate it and get back to you.

Mr. YODER. I think it would be helpful to know that, because particularly with the Commissioner's comments regarding when we have no action letter and all these things. And we had a good conversation earlier about the challenges regarding a guidance versus a rule—

Mr. GENSLER. Right.

Mr. YODER [continuing]. And the SEC and the CFTC related to foreign relations, all these entities. That stuff creates litigation when we don't have specifics.

Mr. GENSLER. I could answer this way. Our Office of General Counsel, which is between 50 and 55 people, ten of the people are in what is called a litigation unit.

Mr. YODER. Okay.

Mr. GENSLER. But they also litigate appeals in our enforcement cases.

Mr. YODER. Thank you.  
 Thank you, Mr. Chairman.  
 Mr. ADERHOLT. Ms. DeLauro.

#### ADDITIONAL PLANNING FOR INCREASED RESOURCES NEEDED

Ms. DELAURO. Thank you, Mr. Chairman. And sorry to dash out to the floor and back.

Mr. O'Malia, in your testimony, you admit that the Commission's, quote, "expanded mission cannot be accomplished without modest increases in resources."

Let me ask you, how large an increase would you support?

Mr. O'MALIA. A similar question was asked by Mr. Farr, and right now—

Ms. DELAURO. Okay. I am sorry.

Mr. O'MALIA. No, you were out, you had other responsibilities.

I can't give you an answer. I don't know because we haven't done the math. We don't know what the requirements are for our technology going forward, which is a priority for me, of course.

I would like to know where we need to be to surveil across markets, SWAPS and futures markets, and what is it going to take to develop a better risk analysis to make sure that we can surveil the London Whale and the clearinghouses. These are very important tools that I think we need to adopt. They have a very heavy reliance on technology. If we had a 5-year technology budget plan with annual milestones, we would have a better sense of what it is going to cost to build this out.

I would like to see an order intake system so we understand how high-frequency traders are trading, what their strategies look like—

Ms. DELAURO. Uh-huh. No, go ahead, because I have a high-frequency question too. I have a series of questions here, and I want to get them in in the 5 minutes.

Mr. O'MALIA. So I think it would benefit the Commission if we did our homework, developed this budget plan over 5 years, both staff and technology, so we can tell you and we can, frankly, reflect on it ourselves whether we are on the right track and how much it is going to cost.

Ms. DELAURO. Uh-huh.

Well, you spoke of high-frequency traders and futures markets; it has grown 56 percent. You are critical of the Commission for adequately investing in technology to monitor.

How does—and I would like to ask Mr. Gensler the same question—how can the Commission develop the technology to monitor the market without additional resources?

Mr. GENSLER. We simply can't.

Commissioner O'Malia is right when he points out that we should oversee orders, not just transactions. I signed off on this over a year ago, but we don't have sufficient funds to do it.

The chairman of this committee has rightly noted that we have transferred between technology and staff because we have been trying to stay at least at this level of staff. So we are making tough choices. We need more resources to oversee—

Ms. DELAURO. So, in essence, if the budget request is fully funded, these are the kinds of activities that you would be—

Mr. GENSLER. Yes.

Ms. DELAURO [continuing]. Trying to engage in in some way.

Mr. GENSLER. Absolutely.

Ms. DELAURO. Also, in the testimony, "The budget request presents everything as a priority and provide no metrics by which to increase the Commission's success or failure." Would you address that?

Mr. GENSLER. Well, see, when we did a new strategic plan 3½ years ago, we actually took the approach that we were not going to set a bunch of standards that we could meet 100 percent, that there were going to be real standards.

Maybe we took it too seriously because our latest report to Congress on this, under GPRA, I guess, is the law, we found that a lot of places we don't meet—we are sometimes at 40 percent of where we need to be or only 60 percent of where we all collectively decided to be.

We are going to do a new strategic plan and set, again, some roadmaps and standards for the next 5 years. And I think, actually, as commissioners, we have our first offsite in early May to start to work on that strategic plan.

#### UTILITY OF SELF-REGULATION

Ms. DELAURO. Again, Mr. O'Malia, in the testimony, you praised the new industry initiative deployed to monitor and protect the segregation of consumer funds. The initiatives were created by self-regulatory organizations.

Let me get the two pieces in, and then I will ask you both to respond.

In your opinion, what role should the Commission have in overseeing these programs?

I will just tell you, as someone who is an observer and needs to be an informed observer because we vote in these areas, that, you know, I always get concerned about self-regulation. I have watched it not just here but I watch it in food safety, I watch it in a whole variety of areas. So it seems to me that when you are dealing with self-regulation, we head back to where we were before the crisis.

But I want to get your response as to what role the Commission should have in overseeing these programs and, Mr. Gensler, your opinion on what role the Commission should have in overseeing self-regulatory organizations.

Mr. O'MALIA. Well, I think the SRO, the self-regulatory organization designation, is somewhat of a misnomer. We have complete and thorough oversight of the two entities I referred to, the National Futures Association and the CME Group. Both of those entities did step up and deliver in the aftermath of MF Global and the Peregrine Financial.

We had a technology advisory committee meeting. We said, this is an industry failure that needs to be solved, and you need to solve it and you need to pay for it. And they did it. And today they are going to be able to report that they are going to be able to analyze the FCM balances with the custodian bank balances for the customers. They are able to match that up for both equities and cash and flag for themselves and us whether there is any deviation in that number.

So, in the case of Peregrine Financial, the gentleman who stole the money out of the bank account and defrauded the customers, that can't happen anymore. The banks push the information out, and the SROs compare those two balances on a daily basis. So we have closed that loophole. And, thankfully, the industry did it on their dime and on their time frame, because if we had to do a rule-making and get comment, we would still be doing it.

Ms. DELAURO. I want to get Mr. Gensler, if I can, Mr. Chairman, just to answer the question, what role the Commission has in overseeing self-regulatory organizations.

Mr. GENSLER. I think we have a critical role. Congress put it right in our statute decades ago to oversee the self-regulatory organizations. We have the National Futures Association to oversee parts of the market and the Chicago Mercantile Exchange.

But I don't imagine you would want us to say that we are not going to ever go in to examine JPMorgan's swap book or Goldman Sachs' swap book or some mid to large futures commission merchant. I think part of the circumstance at Peregrine was that we didn't go in enough, as well. Even though the frontline regulator was the National Futures Association, I think that we need to do a better job as well.

Ms. DELAURO. So you need to oversee the self-regulating.

Mr. ADERHOLT. Mr. Bishop.

Ms. DELAURO. Sorry. Thank you.

Mr. ADERHOLT. Mr. Bishop.

#### DISTRIBUTION OF RESOURCES

Mr. BISHOP. Thank you very much.

Your fiscal year 2014 budget proposal allowed a total of 1,015 civilian full-time employees, FTEs, which is about a 47 percent increase over the level provided for in fiscal year 2012.

Can you give us some indication of how these new employees will be distributed among the Commission's various activities? Assuming for argument's sake if the committee were to agree to only half of the proposed increase in the FTEs, say, 164 additional FTEs, what would be the Commission's priority in terms of the additional resource needs? What impact would not receiving the full FTEs have on your enforcement capabilities and capacity?

Mr. GENSLER. Just to give you a sense, I am just breaking down the 2014 budget increase by people; I could do it by dollars as well. But it is 21 percent enforcement, 19 percent examination, 17 percent surveillance. So those three, I would say—enforcement, examination, surveillance—are the three biggest priorities.

Mr. BISHOP. These are personnel areas?

Mr. GENSLER. That is if you measured it in people. If it is pure dollars, it changes a little bit because in dollars it is surveillance, enforcement, and then the third is data infrastructure—so the data in dollars, because so much of that is technology—would be the top three, and then examinations falls to fourth.

Mr. BISHOP. And what would the priorities be and how would you be impacted if you don't get further funding?

Mr. GENSLER. I think it depends where this committee and Congress came out. As you said, if we only got half of the funding, I still think those four areas would be the priorities. We would have

to rejuggle. We would be deeply appreciative if we did get half of our request because that has not been what is happening the last several years. But we would juggle between those three or four areas—data, infrastructure, which is so much the technology area that Commissioner O'Malia and I agree.

Mr. BISHOP. You can't do your job if you can't get your request; is that basically it?

Mr. GENSLER. Well, I certainly think that is the correct assumption if we still under continuing resolutions are flat-lined. And, in fact, it gets worse because we won't have a carryover balance going into 2014.

But if you are able to see your way in this difficult time to help us out a bit, then we would focus, I think, on these three or four key areas.

Mr. BISHOP. What you are asking for, really, is to discharge the responsibilities and obligations that Congress has placed on you?

Mr. GENSLER. Very much so. Very much so.

Mr. BISHOP. If we don't give you the tools to do it, we are inhibiting your ability to carry out our directives.

Mr. GENSLER. Yes.

Mr. BISHOP. Thank you, Mr. Chairman.

Mr. ADERHOLT. Thank you, Mr. Bishop.

#### GIFT CERTIFICATES

As you have heard, the bells have sounded, and we do have a vote. I do want to briefly follow up with one question I know that was asked last year for the record and just want to follow up on that.

In fiscal year 2011, the Commission signed a contract through 2014 with giftcertificates.com. You may be familiar with that or remember that, to provide its employees with \$50 gift certificates. The gift certificates would allow Commission staff to buy various things at retailers of their choosing.

As I mentioned, this question was asked about that last year. I just wanted to know how much money has been spent on that contract to date and how many of these cards have been given to employees.

Mr. GENSLER. If I could, Mr. Chairman, get back to you promptly with answers. I personally wasn't prepared to know, and those are very detailed questions. So if I could get back to you promptly.

Mr. ADERHOLT. Okay, if you could just find us—again, I will just summarize on that—the amount of money that has been spent on the contracts to date and then how many of the gift cards have been given to Commission employees.

[The information follows:]

Chairman Aderholt: I do want to briefly follow-up on one question I know that was asked last year. For the record, I just want to follow upon that. In FY 2011, the commission signed a contract through 2014 with giftcertificate.com. You may be familiar with -- remember that, to provide its employees with \$50 gift certificates.

The gift certificates would allow commission staff to buy various things at retailers of their choosing. As I mentioned, this question was asked about that last year. I just wanted to know how much money has been spent on that contract to date? And how many of these cards have been given to employees?

**Response:**

Fiscal Year	# of Awards	Amount	Fees
2008	101	\$ 5,000.00	\$ 257.55
2009	222	\$ 11,075.00	\$ 566.10
2010	114	\$ 5,600.00	\$ 290.70
2011	10	\$ 500.00	\$ 119.20
2012	2	\$ 100.00	\$ 4.90
2013	0	\$ -	\$ -
<i>Grand Totals</i>	<i>449</i>	<i>\$ 22,275.00</i>	<i>\$ 1,238.45</i>

Total Amount Paid  
to giftcertificates.com      \$ 23,513.45

Mr. ADERHOLT. So, with that, thank you both for being here and for your testimony this morning. We look forward to working with you as we continue on with the fiscal year 2014 budget.

And the committee is adjourned.

Mr. GENSLER. Thank you.

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Notification of Rules, No-Action Letters, Exemptive Orders, Interpretive Guidance, and Changes to Rules

The CFTC on April 9<sup>th</sup>, 7 hours before reporting requirements would have gone into effect, issued No-Action Letter 13-10 for relief from certain requirements for counterparties. On September 21, 2012, Ananda Radhakrishnan of the CFTC emailed certain parties about an ambiguous provision of the Swap Execution Facility trading rule clarifying that 120 seconds was the maximum time limit for accepting or rejecting a trade. This time limit was not made clear in the published rule. These two examples highlight several issues the Committee has concern with, regardless of the substance of the rules:

-CFTC submitted last minute guidance to the marketplace with only 7 hours remaining to clarify a major provision, creating severe uncertainty for market participants.

-CFTC using email to only "connected" industry groups to clarify a provision of a published rule. This is at the least a non-transparent way to communicate rules and regulations to the public.

Please provide the Committee with the following:

1. A list of all deadlines stating when enacted Dodd-Frank rules and regulations will go into effect.

**Response:**

<b>Final Rule Publication Date</b>	<b>Final Rule Subject and Effective Date</b>
<b>4/19/2013</b>	Identity Theft Red Flags Rules <b>Effective Date:</b> May 20, 2013
<b>4/11/2013</b>	Clearing Exemption for Swaps Between Certain Affiliated Entities <b>Effective Date:</b> June 10, 2013
<b>4/8/2013</b>	Dual and Multiple Associations of Persons Associated with Swap Dealers, Major Swap Participants and Other Commission Registrants <b>Effective Date:</b> June 7, 2013
<b>12/21/2012</b>	Adaptation of Regulations to Incorporate Swaps--Records of Transactions

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	<b>Effective Date:</b> February 19, 2013
<b>12/13/2012</b>	Clearing Requirement Determination Under Section 2(h) of the CEA <b>Effective Date:</b> February 11, 2013
<b>11/2/2012</b>	Adaptation of Regulations to Incorporate Swaps <b>Effective Date:</b> January 2, 2013
<b>9/11/2012</b>	Confirmation, Portfolio Reconciliation, Portfolio Compression, and Swap Trading Relationship Documentation Requirements for Swap Dealers and Major Swap Participants <b>Effective Date:</b> November 13, 2012
<b>9/5/2012</b>	Amendments to Commodity Pool Operator and Commodity Trading Advisor Regulations Resulting from the Dodd-Frank Act <b>Effective Date:</b> November 5, 2012
<b>8/28/2012</b>	Registration of Intermediaries <b>Effective Date:</b> October 29, 2012
<b>8/13/2012</b>	Further Definition of "Swap," "Security-Based Swap," and "Security-Based Swap Agreement;" Mixed Swaps; Security-Based Swap Agreement Recordkeeping <b>Effective Date:</b> October 12, 2012
<b>7/30/2012</b>	Swap Transaction Compliance and Implementation Schedule: Clearing Requirement Under Section 2(h) of the CEA <b>Effective Date:</b> September 28, 2012
<b>7/19/2012</b>	End-User Exception to the Clearing Requirement for Swaps <b>Effective Date:</b> September 17, 2012
<b>6/19/2012</b>	Core Principles and Other Requirements for Designated Contract Markets <b>Effective Date:</b> August 20, 2012
<b>6/12/2012</b>	Swap Data Recordkeeping and Reporting Requirements: Pre-Enactment and Transition Swaps <b>Effective Date:</b> August 13, 2012
<b>5/23/2012</b>	Further Definition of "Swap Dealer," "Security-Based Swap Dealer," "Major Swap Participant," "Major Security-Based Swap Participant," and "Eligible Contract Participant" <b>Effective Date:</b> July 23, 2012; December 31, 2012 (17 CFR 1.3(m)(5) and (6))
<b>4/27/2012</b>	Commodity Options <b>Effective Date:</b> June 26, 2012
<b>4/9/2012</b>	Customer Clearing Documentation, Timing of Acceptance for Clearing, and Clearing Member Risk Management <b>Effective Date:</b> October 1, 2012

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<b>4/3/2012</b>	Swap Dealer and Major Swap Participant Recordkeeping, Reporting, and Duties Rules; Futures Commission Merchant and Introducing Broker Conflicts of Interest Rules; and Chief Compliance Officer Rules for Swap Dealers, Major Swap Participants, and Futures Commission Merchants <b>Effective Date:</b> June 4, 2012
<b>2/24/2012</b>	Commodity Pool Operators and Commodity Trading Advisors: Amendments to Compliance Obligations <b>Effective Date:</b> April 24, 2012; July 2, 2012 (amendments to §4.27)
<b>2/17/2012</b>	Business Conduct Standards for Swap Dealers and Major Swap Participants with Counterparties <b>Effective Date:</b> April 17, 2012
<b>2/7/2012</b>	Protection of Cleared Swaps Customer Contracts and Collateral; Conforming Amendments to the Commodity Broker Bankruptcy Provisions <b>Effective Date:</b> April 9, 2012
<b>1/19/2012</b>	Registration of Swap Dealers and Major Swap Participants <b>Effective Date:</b> March 19, 2012
<b>1/13/2012</b>	Swap Data Recordkeeping and Reporting Requirements <b>Effective Date:</b> March 13, 2012
<b>1/9/2012</b>	Real-Time Public Reporting of Swap Transaction Data <b>Effective Date:</b> March 9, 2012; August 13, 2012 (corrections effective)
<b>12/23/2011</b>	Registration of Foreign Boards of Trade <b>Effective Date:</b> February 21, 2012
<b>12/19/2011</b>	Investment of Customer Funds and Funds Held in an Account for Foreign Futures and Foreign Options Transactions <b>Effective Date:</b> February 17, 2012
<b>11/18/2011</b>	Position Limits for Futures and Swaps <b>Effective Date:</b> January 17, 2012
<b>11/16/2011</b>	Reporting by Investment Advisers to Private Funds and Certain Commodity Pool Operators and Commodity Trading Advisors on Form PF <b>Effective Date:</b> March 31, 2012
<b>11/8/2011</b>	Derivatives Clearing Organization General Provisions and Core Principles <b>Effective Date:</b> January 9, 2012
<b>9/12/2011</b>	Retail Foreign Exchange Transactions; Conforming Changes to Existing Regulations in Response to the Dodd-Frank Wall Street Reform and Consumer Protection Act <b>Effective Date:</b> September 12, 2011

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<b>9/1/2011</b>	Swap Data Repositories: Registration Standards, Duties, and Core Principles <b>Effective Date:</b> October 31, 2011
<b>8/25/2011</b>	Final Rules for Implementing the Whistleblower Provisions of Section 23 of the Commodity Exchange Act <b>Effective Date:</b> October 24, 2011
<b>8/10/2011</b>	Agricultural Swaps <b>Effective Date:</b> December 31, 2011
<b>7/27/2011</b>	Provisions Common to Registered Entities <b>Effective Date:</b> September 26, 2011
<b>7/26/2011</b>	Process for Review of Swaps for Mandatory Clearing <b>Effective Date:</b> September 26, 2011
<b>7/25/2011</b>	Removing Any Reference to or Reliance on Credit Ratings in Commission Regulations; Proposing Alternatives to the Use of Credit Ratings <b>Effective Date:</b> September 23, 2011
<b>7/22/2011</b>	Large Trader Reporting for Physical Commodity Swaps <b>Effective Date:</b> September 20, 2011
<b>7/22/2011</b>	Privacy of Consumer Financial Information; Conforming Amendments Under Dodd-Frank Act <b>Effective Date:</b> September 20, 2011
<b>7/22/2011</b>	Business Affiliate Marketing and Disposal of Consumer Information Rules <b>Effective Date:</b> September 20, 2011
<b>7/14/2011</b>	Prohibition on the Employment, or Attempted Employment, of Manipulative and Deceptive Devices -- Prohibition on Price Manipulation <b>Effective Date:</b> August 15, 2011
<b>7/13/2011</b>	Agricultural Commodity Definition <b>Effective Date:</b> September 12, 2011
<b>9/10/2010</b>	Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries <b>Effective Date:</b> October 18, 2010

2. A list of all No-Action Letters, Exemptive Orders, and Interpretive Guidance issued regarding Dodd-Frank rules and regulations.

**Response:**

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<b>Publication Date</b>	<b>Documents</b>
<b>5/1/2013</b>	The Division of Swap Dealer and Intermediary Oversight issued a no-action letter that provides swap dealers and major swap participants with relief from certain disclosure requirements prescribed under Commission Regulation 23.431. The relief provided in the no-action letter is applicable to certain transactions in foreign exchange swaps and foreign exchange forwards. The relief provided in the no-action letter is applicable to all swap dealers, subject to the conditions and limitations set forth in the letter.
<b>4/30/2013</b>	The Division of Swap Dealer and Intermediary Oversight issued a time-limited no-action letter that provides swap dealers with relief from certain External Business Conduct Standards rules in the context of prime brokerage arrangements, subject to the conditions and limitations set forth in the letter.
<b>4/9/2013</b>	Division of Market Oversight no-action letter providing swap counterparties that are not swap dealers or major swap participants (non-SD/MSP counterparties) with certain time-limited relief from the reporting requirements of the CFTC's swap data reporting rules, which are set forth at Parts 43, 45 and 46 of the CFTC's regulations.
<b>4/5/2013</b>	No-Action Relief for Swaps Between Affiliated Counterparties that are Neither Swap Dealers nor Major Swap Participants from Certain Swap Data Reporting Requirements Under Parts 45, 46, and Regulation 50.50(b) of the Commission's Regulations
<b>4/5/2013</b>	Division of Market Oversight no-action relief to entities who are neither swap dealers or major swap participants with respect to certain reporting and recordkeeping requirements of the trade option exemption contained in Regulation 32.3.
<b>4/2/2013</b>	Order Exempting, Pursuant to Authority of the Commodity Exchange Act, Certain Transactions Between Entities Described in the Federal Power Act, and Other Electric Cooperatives
<b>4/2/2013</b>	Final Order in Response to a Petition from Certain Independent System Operators and Regional Transmission Organizations to Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission or the Public Utility Commission of Texas from Certain Provisions of the Commodity Exchange Act Pursuant to the Authority Provided in the Act
<b>3/30/2013</b>	Division of Swap Dealer and Intermediary Oversight (DSIO) no-action letter that will delay until June 30, 2013, the compliance date for certain SD/MSP recordkeeping obligations under Commission Regulations 23.201, 23.202, and 23.203. Partially extends relief provided in CFTC Letter No. 12-29, issued by DSIO on October 26, 2012.
<b>3/29/2013</b>	Division of Swap Dealer and Intermediary Oversight (DSIO) time-limited letter stating that DSIO will not recommend that the Commission take enforcement action against the commodity pool operators of securitization vehicles that are required to register by March 31, 2013 for failure to comply with certain enumerated sections in Part 4 of the Commission's regulations, prior to June 30, 2013, provided that the commodity pool operators of securitization vehicles comply with the guidance set forth in the letter with respect to those sections.
<b>3/29/2013</b>	Division of Market Oversight, Division of Swap Dealer and Intermediary Oversight, and Division of

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	Clearing and Risk no-action relief letter giving Regional Transmission Organizations (RTOs) and Independent System Operators (ISOs) time to enact certain tariff, protocol or rate schedule changes and take other steps necessary to (a) satisfy the conditions of the exemption granted to them in the related final order of March 28, 2013 and (b) to operate within the scope of that exemption.
<b>3/29/2013</b>	Division of Swap Dealer and Intermediary Oversight (DSIO) no-action relief from registration as an IB or a CTA to certain affiliates of a swap counterparty and the affiliates' employees. Makes available registration relief to certain persons who would not otherwise be eligible for the relief DSIO previously provided to Agent Affiliates under CFTC Letter No. 12-70 (December 31, 2012). Relief is subject to a number of conditions, including that the swap counterparty be registered as a swap dealer within a specific period of time and conditions similar to those specified in CFTC Letter No. 12-70.
<b>3/29/2013</b>	Division of Clearing and Risk extension for compliance with Regulation 39.12(b)(7) for LCH Clearnet Limited for acceptance or rejection of trades submitted for clearing, until May 17, 2013.
<b>3/28/2013</b>	Division of Swap Dealer and Intermediary Oversight no-action letter providing certain futures commission merchants (FCMs) with limited relief surrounding the requirement that chief compliance officers of such FCMs prepare and submit an Annual Report, pursuant to Commission Regulation 3.3.
<b>3/20/2013</b>	No-Action Relief from Required Clearing for Partial Novation and Partial Termination of Swaps
<b>3/18/2013</b>	No-Action Relief from Required Clearing for Swaps Resulting from Multilateral Portfolio Compression Exercises
<b>2/26/2013</b>	Division of Clearing and Risk memorandum providing guidance to DCOs regarding the requirement to submit to the Commission an annual report of the Chief Compliance Officer concurrently with the filing of the DCO's fiscal year-end audited financial statement.
<b>1/7/2013</b>	Final Exemptive Order Regarding Compliance with Certain Swap Regulations
<b>12/31/2012</b>	Division of Swap Dealer and Intermediary Oversight (DSIO) no-action letter stating that DSIO will not recommend that the Commission take enforcement action against any U.S. bank that is wholly owned by a foreign entity for failure to consider the swap dealing activities of its foreign affiliates, or the U.S. branches of such affiliates, with respect to swap positions executed from and after October 12, 2012, when determining whether such U.S. bank satisfies the de minimis exception to the swap dealer definition and registration requirements, so long as the U.S. bank meets certain conditions specified in the letter.
<b>12/31/2012</b>	The Division of Swap Dealer and Intermediary Oversight granted no-action relief from registration as an IB or CTA to certain affiliates of swap dealers and swap counterparties and their employees where the affiliates' employees engage in certain activity in support of and on behalf of the swap dealer or swap counterparty. The relief is subject to a number of conditions, including that the affiliate and the swap dealer or swap counterparty undertake to be jointly and severally liable for violations of the CEA or the Commission's regulations and that the affiliate and employees are not subject to a statutory disqualification.
<b>12/28/2012</b>	The Division of Swap Dealer and Intermediary Oversight granted an extension of the temporary no-action registration relief previously granted under CFTC Letter No. 12-15 (October 11, 2012) for associated persons (APs) of a futures commission merchant, introducing broker, commodity pool

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	operator or commodity trading advisor who are required to register as APs solely by virtue of their involvement with swaps or as a result of the transition of certain contracts by the Intercontinental Exchange, Inc. and the New York Mercantile Exchange to clearing as commodity futures and options transactions. The temporary registration relief is subject to conditions, and does not extend any other relief previously granted under CFTC Letter No. 12-15.
12/21/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) today issued a letter providing that the Division will not recommend that the Commission take enforcement action against certain commodity pool operators (CPOs), commodity trading advisors (CTAs) or any principal or associated person (AP) thereof who will be required to register pursuant to the recent amendment to Commission Regulation 4.5 or the rescission of Commission Regulation 4.13(a)(4).
12/21/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) today issued a letter providing that the Division will not recommend that the Commission take enforcement action against the commodity pool operators of investment pools that invest in securitization vehicles that comply with the terms of the no-action relief set forth in the 12-45 letter.
12/21/2012	The no-action letter provides that DMO will not recommend an enforcement action against a swap dealer with respect to the following: a) a delay in reporting swaps executed by branches in emerging market jurisdictions as defined therein; b) a delay in reporting aggregate pricing data for exotic/multi-leg swap transactions; c) a delay in linking the report made for post-trade allocations, compressions, or novations to the unique swap identifier of the previously reported initial swap; and d) withholding or incorrect reporting of certain life cycle events. To avail themselves of the relief, a swap dealer must meet specific criteria and comply with certain conditions set forth in the no-action letter. The Division will extend this relief until the earlier of: (1) resolution of the technological issues preventing timely compliance; or (2) 12:01 a.m. eastern daylight time on April 30, 2013.
12/21/2012	Time-Limited No-Action Relief from the Reporting of Certain Non-Reporting Counterparty Information Pursuant to Parts 45 and 46.
12/21/2012	Based on industry representations regarding the difficulty of complying with Commission timetables for, e.g., registration, external business conduct, recordkeeping and reporting, the no-action letter permits affected persons additional time (through June 30, 2013) to progress to compliance with any provision of the Dodd-Frank Act or the rules promulgated thereunder (other than anti-fraud or anti-manipulation) applicable to compo equity total return swaps.
12/21/2012	The Division of Clearing and Risk issued a letter stating that it will not recommend that the Commission take enforcement action against Singapore Exchange Derivatives Clearing Limited (SGX-DC) for failing to register as a derivatives clearing organization (DCO) under section 5b(a) of the Commodity Exchange Act (CEA); and will not recommend enforcement action against SGX-DC's clearing members for failing to register as futures commission merchants (FCMs) under section 4d(f)(1) of the CEA, in relation to the clearing and carrying of existing or new positions in certain commodity swaps for U.S. customers. This relief will be effective until the earlier of (1) December 31, 2013, or (2) the date upon which SGX-DC registers as a DCO, such date by which the positions of U.S. customers must be held only by clearing members that are registered FCMs.
12/21/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter stating that DSIO will not recommend that the Commission take an enforcement action against any person for failure to include in its calculation of the aggregate gross notional amount of swaps connected with its swap dealing activity for purposes of Commission Regulation 1.3(ggg)(4), terminations of swaps (in

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	whole or in part) or swaps entered into as replacement swaps as part of a multilateral portfolio compression exercise (as defined in Commission Regulation 23.500).
12/20/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter stating that DSIO will not recommend that the Commission take enforcement action against any U.S. bank that is wholly owned by a foreign entity for failure to consider the swap dealing activities of its foreign affiliates, or the U.S. branches of such affiliates, with respect to swap positions executed from and after October 12, 2012, when determining whether such U.S. bank satisfies the de minimis exception to the swap dealer definition and registration requirements, so long as the U.S. bank meets certain conditions specified in the letter. To rely upon the relief, an entity that is eligible for the relief must file a claim with DSIO.
12/19/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter stating that DSIO will not recommend that the Commission take an enforcement action against any entity for failure to include, prior to July 1, 2013, in its calculation of the aggregate gross notional amount of swaps connected with its swap dealing activity for purposes of Commission Regulation 1.3(ggg)(4), a swap that is submitted to a registered DCO for clearing, provided that: (1) the entity does not have a registered swap dealer affiliate; (2) the entity entered into the swap using proprietary funds for its own account; and (3) the entity complies with the requirements set forth in Commission Regulations 1.3(ggg)(6)(iv)(D)-(H). To rely upon the relief, an entity that is eligible for the relief must file a claim with DSIO.
12/19/2012	The no-action letter provides time-limited relief to reporting counterparties that are Swap Dealers (SDs) and Major Swap Participants (MSPs) from the obligation to report swap data under part 45 of the Commission's regulations for cleared credit default swaps (CDS) that are entered into pursuant to a derivatives clearing organization's (DCO) rules related to its price submission process for determining end-of-day settlement prices for cleared CDS (CDS Clearing-Related Swaps). The no-action letter provides that the Division will not recommend that the Commission take enforcement action against a reporting counterparty, an SD or MSP, for failure of such SD or MSP to comply with its obligations to report swap data required under part 45, for CDS Clearing-Related Swaps. The no-action relief is subject to, among others, the following conditions: (i) the reporting counterparty, as defined in part 45, must be a clearing member of a registered DCO that is eligible to clear CDS indices and must participate in that DCO's CDS Settlement Price Process, and (ii) the no-action relief will apply only to CDS Clearing-Related Swaps arising from, or entered into pursuant to, a DCO's Settlement Price Process, as required by the DCO's rules and procedures. The no-action relief expires on June 30, 2013.
12/18/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter stating that DSIO will not recommend that the Commission take an enforcement action against a swap dealer or major swap participant for failure to disclose the pre-trade mid-market mark, as required by Regulation 23.431(a)(3), to a counterparty in a Covered Derivative Transaction prior to the issuance of final Commission Regulations governing the registration of SEFs, subject to any compliance implementation period contained therein, provided that: (1) real-time tradeable bid and offer prices for the Covered Derivative Transaction are available electronically, in the marketplace, to the counterparty; and (2) the counterparty to the Covered Derivative Transaction agrees in advance, in writing, that the swap dealer or major swap participant need not disclose a pre-trade mid-market mark. The letter also states that DSIO will not recommend that the Commission take an enforcement action against a swap dealer or major swap participant for failure to disclose the pre-trade mid-market mark, as required by Regulation 23.431(a)(3), to a counterparty in a Covered Derivative Transaction subsequent to the issuance of final Commission Regulations governing the registration of SEFs, subject to any compliance implementation period contained therein, provided that: (1) real-time executable bid and offer prices for the Covered Derivative Transaction are available on a DCM or SEF; and (2) the counterparty to the Covered Derivative Transaction agrees in advance, in writing, that the swap dealer or major swap participant

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	need not disclose a pre-trade mid-market mark. The relief provided in the letter is applicable to all SDs and MSPs.
12/18/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter stating that DSIO will not recommend that the Commission take an enforcement action against any person for failure to include a swap executed on Natural Gas Exchange prior to the earlier of March 31, 2013, or the granting or denial of NGX's application for registration as an FBOT, in its calculation of the aggregate gross notional amount of swaps connected with its swap dealing activity for purposes of Commission Regulation 1.3(ggg)(4).
12/17/2012	The Commodity Futures Trading Commission's (Commission) Division of Clearing and Risk (DCR) today issued a letter stating that DCR will not recommend that the Commission take enforcement action against Japan Securities Clearing Corporation (JSCC) for failing to register as a derivatives clearing organization (DCO) under section 5b(a) of the Commodity Exchange Act (CEA). The letter also states that DCR will not recommend enforcement action against JSCC's qualified clearing participants, and a parent or affiliate of a JSCC qualified clearing participant, for failing to clear yen-denominated interest rate swaps subject to the Commission's clearing requirement under section 2(h)(1)(A) of the CEA through a registered DCO.
12/17/2012	Time-Limited No-Action Relief from (i) Parts 43 and 45 Reporting for Prime Brokerage Transactions, and (ii) Reporting of Unique Swap Identifiers in Related Trades under Part 45 by Prime Brokers.
12/14/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter providing certain swap dealers (SDs) with relief surrounding the requirement that chief compliance officers of such SDs prepare and submit an Annual Report, pursuant to Commission Regulation 3.3, for the fiscal year ending on Dec. 31, 2012. The relief provided in the no-action letter is applicable to all SDs that: (1) are required to register by Dec. 31, 2012; (2) are currently regulated by a U.S. prudential regulator or are registrants of the Securities and Exchange Commission; and (3) have a fiscal year-end of Dec. 31, 2012.
12/14/2012	The CFTC's Division of Market Oversight has issued a letter addressing the timeline within which non-clearing member swap dealers must come into compliance with the large swap trader reporting requirements of Part 20 of the CFTC's regulations. The letter extends, until March 1, 2013, no-action relief from Part 20 reporting requirements that was granted to non-clearing member swap dealers in CFTC Letter No. 12-04, which was issued by the Division of Market Oversight on July 17, 2012. The letter also extends, until September 1, 2013, the additional period of reporting relief that was granted by the Division of Market Oversight in CFTC Letter No. 12-04 to non-clearing member swap dealers that satisfy the conditions of Section 20.10(e) of the CFTC's regulations.
12/13/2012	The Division of Market Oversight issued time-limited, no-action relief from the post-allocation swap timing requirement of section 45.3(e)(ii)(A) of the Commission's regulations.
12/12/2012	The Division of Swap Dealer and Intermediary Oversight took a registration no-action position with respect to a CTA that was a subsidiary of a registered CPO, in connection with the CTA advising pools operated by the CPO. The CPO owned all voting interest in the CTA, and all of the CTA's principals (besides the CPO) were principals of the CPO (or reported to a principal of the CPO). Neither the CTA nor any of its principals was subject to a statutory disqualification, and the CPO and CTA agreed to provide written acknowledgment of joint and several liability for any violation of the CEA or the Commission's Regulations by either of them in connection with providing commodity interest trading advice to pools operated by the CPO and advised by the CTA.

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12/11/2012	<p>The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter providing relief from the fingerprinting requirement under Commission Regulation 3.10(a)(2) for a principal of a Commission registrant where the principal has not resided in the United States since reaching 18 years of age (Non-U.S. Principal). The no-action letter provides that DSIO will not recommend an enforcement action against a registrant based solely on the registrant's failure to submit with its application for registration fingerprints on a fingerprint card provided that the registrant: (1) lists each Non-U.S. Principal on its application; (2) submits a Form 8-R for each Non-U.S. Principal with a "certification" that a reasonable criminal background check has been performed and the background check did not reveal any disqualification under Sections 8a(2) or 8a(3) of the Commodity Exchange Act; and (3) notifies the NFA within 30 days after the filing of a Form 8-R that it has not submitted a fingerprint card for each Non-U.S. Principal. The no action relief is also subject to compliance with the condition that the registrant keeps a copy of the certification, together with all supporting documents, pursuant to Commission Regulation 1.31.</p>
12/11/2012	<p>The Division of Market Oversight issued a no-action letter preserving the regulatory status quo established with respect to certain transactions by the Commission's Second Amendment to July 14, 2011 Order for Swap Regulation.</p>
12/10/2012	<p>The no-action letter provides time-limited relief to Swap Dealers (SDs) and Major Swap Participants (MSPs) from the obligation to report valuation data for cleared swaps as required by § 45.4(b)(2)(ii) of the Commission's regulation. The no-action letter provides that the Division of Market Oversight will not recommend that the Commission take enforcement action against a SD or MSP for failure of such SD or MSP to comply with the requirements of regulation 45.4(b)(2)(ii) to report valuation data. The no action relief applies to: (i) all SDs and MSPs that are reporting counterparties under regulation 45.4(b)(2)(ii), and (ii) all cleared swaps for which the SD or MSP has the obligation to report valuation data under regulation 45.4(b)(2)(ii). The no action relief expires on June 30, 2013.</p>
12/10/2012	<p>The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter providing certain futures commission merchants (FCMs) with limited relief surrounding the requirement that chief compliance officers of such FCMs prepare and submit an Annual Report, pursuant to Commission Regulation 3.3. The relief provided in the no-action letter is applicable to all FCMs that: (1) were registered with the Commission as of June 4, 2012; and (2) are currently regulated by a U.S. prudential regulator or registered with the U.S. Securities and Exchange Commission (Covered Firms). The no-action letter enumerates the subjects that must be addressed in the Annual Report of a Covered Firm for the fiscal year that ends on or before March 31, 2013. The letter also provides relief concerning the certification that a chief compliance officer must execute with respect to that Annual Report, as well as the deadline for furnishing a copy of that Annual Report to the CFTC.</p>
12/7/2012	<p>The Division of Market Oversight issued time-limited, no-action relief for Part 20 Reporting Entities regarding identifying information and for Part 45 and Part 46 Reporting Counterparties regarding legal entity identifiers and other identifying information.</p>
12/7/2012	<p>The Division of Swap Dealer and Intermediary Oversight issued a letter providing additional guidance to securitization vehicles regarding whether they may be excluded from the definition of commodity pool. The Division also stated that it will not recommend that the Commission take enforcement action against the commodity pool operators of securitization vehicles that have not and will not issue new securities on or after October 12, 2012. Finally, the Division stated that, for securitization vehicles that could not claim relief either under this letter or the 12-14 Letter, it would not recommend enforcement action against operators of securitization vehicles for failure to register as a commodity pool operator until March 31, 2013.</p>

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12/7/2012	The Division of Swap Dealer and Intermediary Oversight issued a letter providing that it will not recommend that the Commission take enforcement action against the operators of mortgage real estate investment trusts for failure to register as commodity pool operators provided that the mortgage real estate investment trust satisfies certain criteria including compliance with a de minimis threshold.
12/7/2012	The Division of Swap Dealer and Intermediary Oversight (Division) provided limited no-action relief to swap dealers and major swap participants (collectively, Swap Entities) from compliance with the prohibition in Regulation 23.22(b) against permitting a person who is subject to a statutory disqualification to effect or be involved in effecting swaps on behalf of the Swap Entity. Specifically, the Division provided this relief with respect to: (1) non-domestic associated persons (APs) of Swap Entities who deal only with non-domestic swap counterparties; and (2) persons employed in a clerical or ministerial capacity (Employees) by Swap Entities. As the Division explains in the letter, the purpose of this relief is to align the treatment of these APs and Employees with the treatment of all other APs and Employees under the Commodity Exchange Act and the Commission's Regulations.
12/6/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter stating that DSIO will not recommend that the Commission take an enforcement action against a swap dealer or major swap participant for failure to disclose the pre-trade mid-market mark, as required by Regulation 23.431(a)(3), to a counterparty in a Covered Forex Transaction, provided that: (1) real-time tradeable bid and offer prices for the Covered Forex Transaction are available electronically, in the marketplace, to the counterparty; and (2) the counterparty to the Covered Forex Transaction agrees in advance, in writing, that the swap dealer or major swap participant need not disclose a pre-trade mid-market mark. The relief provided in the letter is applicable to all SDs and MSPs.
12/5/2012	In order to account for certain disruptions to the testing of swap data reporting systems caused by Hurricane Sandy, the CFTC's Division of Market Oversight has issued a letter providing swap dealers with time-limited no-action relief from swap data reporting obligations with respect to equity swaps, foreign exchange swaps and other commodity swaps. For these asset classes, the letter provides swap dealers with reporting relief (i) under Part 43 and Part 45 of the CFTC's regulations, until February 28, 2013, and (ii) under Part 46 of the CFTC's regulations, until March 30, 2013.
12/4/2012	The Division of Swap Dealer and Intermediary Oversight issued a letter providing that the Division will not recommend that the Commission take enforcement action against the commodity pool operators of business development companies for failure to register as such, provided that the commodity pool operators meet certain criteria specified in the letter, including the compliance with a de minimis trading threshold.
11/30/2012	The Commodity Futures Trading Commission's Division of Market Oversight (DMO) announced the issuance of a time-limited no-action letter granting relief, for bespoke or complex swaps, from certain reporting obligations under Part 43 and Part 45 of the Commission's regulations. For bespoke or complex swaps, the no-action letter provides that DMO will not recommend an enforcement action against (1) a reporting party for failure to report certain data fields listed in Appendix A to Part 43 or (2) a reporting counterparty for failure to report certain data fields listed in Appendix 1 to Part 45. In addition, for bespoke or complex swaps that are uncleared inter-affiliate swaps, the letter provides no-action relief from certain confirmation data reporting obligations under Part 45. The relief will expire on the earlier of such time that the relevant data elements can be electronically represented in the FpML schema or June 30, 2013.
11/29/2012	The Division of Swap Dealer and Intermediary Oversight issued a letter providing that the Division will not recommend that the Commission take enforcement action against the commodity pool operators of

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	funds for failure to register as such until the later of June 30, 2013, or six months from the date that the Division issues revised guidance on the application of the calculation of the de minimis thresholds in the context of Commission regulations 4.5 and 4.13(a)(3), provided that the commodity pool operators meet certain criteria specified in the letter.
11/29/2012	Frequently asked questions on the Reporting of Cleared Swaps.
11/29/2012	The Division of Swap Dealer and Intermediary Oversight issued a letter to family offices stating that the Division would not recommend that the Commission take enforcement action against operators of family offices for failure to register as commodity pool operators subject to certain criteria, including the filing of a notice with the Division.
11/29/2012	This letter has been amended from the original version that was issued on November 20, 2012. The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter stating that DSIO will not recommend that the Commission take an enforcement action against any SD or covered associate of any SD for failure to be fully compliant with Regulation 23.451 with respect to "governmental plans" as defined in Section 3 of ERISA, to the extent that such plans are not otherwise covered by SEC and/or MSRB rules. The other provisions of the term "governmental Special Entity," as defined in Regulation 23.451(a)(3), are unaffected by the letter. The relief provided in the letter is applicable to all SDs and MSPs. The letter also clarifies the scope of the two-year "look-back" period in Regulation 23.451. DSIO believes that the "look-back" period does not include any time period that precedes the date on which an SD is required to register as such.
11/28/2012	Time-Limited No-Action Relief from the Clearing Requirement for Swaps Entered Into By Cooperatives.
11/28/2012	Time-Limited No-Action Relief from the Clearing Requirement for Swaps Between Affiliated Counterparties.
11/21/2012	The Division of Clearing and Risk granted an extension for compliance with Regulation 39.12(b)(7) for LCH.Clearnet Limited for acceptance or rejection of trades submitted for clearing, until March 31, 2013.
11/19/2012	The CFTC's Division of Swap Dealer and Intermediary Oversight and Division of Market Oversight have jointly issued a letter providing swap dealers with time-limited no-action relief from certain requirements of the CFTC's swap data reporting rules, which are set forth at Part 43, Part 45 and Part 46 of the CFTC's regulations. The no-action letter establishes a common monthly date by which all newly registered swap dealers must be in compliance with their reporting obligations under the rules, and extends the deadline for reporting historical swap transaction data, as required under Part 46.
11/14/2012	Office of General Counsel response to frequently asked questions regarding Certain Physical Commercial Agreements for Supply and Consumption of Energy.
11/1/2012	The Division of Clearing and Risk granted The Options Clearing Corporation, CME Clearing, MGEX, Inc., ICE Clear Europe Limited, ICE Clear U.S. Inc., New York Portfolio Clearing, LLC, and Kansas City Board of Trade Clearing Corporation an extension for compliance with Regulation 39.13(g)(8)(i) for customer gross margining, until January 15, 2013.
11/1/2012	The staff of the Division of Clearing and Risk issued an interpretation regarding Part 22, under which Futures Commission Merchants and Derivatives Clearing Organizations must legally segregate each

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	Cleared Swaps Customer's collateral, but are permitted to operationally commingle the collateral of their Cleared Swaps Customers. The interpretation, in question and answer format, provides clarification regarding operational issues arising during preparation for the implementation of Part 22.
10/31/2012	The staff of the Commodity Futures Trading Commission's Division of Clearing and Risk issued a no-action letter to temporarily delay the compliance date for the Commission's Part 22 rules, which set forth statutory collateral segregation requirements, from November 8, 2012 to November 13, 2012. The Division's temporary delay of the compliance date for Part 22 regulations is made in light of the damage caused by Hurricane Sandy, and the necessity for Futures Commission Merchants, many of whose operational personnel are focused on business continuity/disaster recovery efforts, to finalize testing for compliance with these regulations.
10/26/2012	The Division of Clearing and Risk issued letters dated from October 26 to December 4, 2012 that grant an extension for compliance with Regulation 1.74(a) for certain FCMs for the timing of acceptance of trades for clearing. On or before January 1, 2013, each FCM must accept or reject each trade submitted to it for clearing within 120 seconds. On or before T+90, each FCM must accept or reject each trade submitted to it for clearing within 60 seconds.
10/26/2012	The Division of Swap Dealer and Intermediary Oversight (DSIO) issued a no-action letter that will delay until March 31, 2013, the compliance date for the following SD/MSP recordkeeping provisions: (1) the requirement that SDs and MSPs make and keep records of all oral communications related to pre-execution swap trade information (and communications that lead to the conclusion of a related cash or forward transaction), pursuant to Commission Regulations 23.202(a) and (b); (2) the requirement that SDs and MSPs maintain all transaction records and daily trading records in a manner "identifiable and searchable" by transaction and counterparty, pursuant to Commission Regulations 23.201(a)(1), 23.202(a) and 23.202(b); (3) the requirement that SDs and MSPs use a Coordinated Universal Time timestamp when recording quotations prior to and at the time of execution of a swap, pursuant to Commission Regulations 23.202(a)(1)(ii), (a)(2)(iv), (b)(3) and (b)(4); and (4) the requirement that SDs and MSPs retain swap records at their principal places of business or such other principal offices as designated by the SDs or MSPs. The relief provided in the no-action letter is applicable to all SDs and MSPs.
10/25/2012	Swap Data Repositories: Interpretative Statement Regarding the Confidentiality and Indemnification Provisions of the Commodity Exchange Act
10/17/2012	Division of Clearing and Risk staff issued an interpretation providing clarification that while regulation 22.2(d) prohibits an FCM from permitting a lien on Cleared Swaps Customer Collateral that it holds, regulation 22.2(d) does not prohibit a Cleared Swaps Customer from granting a lien on his or her own account at the FCM, nor does the regulation prohibit the FCM from taking action to foster the Cleared Swaps Customer's grant of such a lien.
10/12/2012	The Division of Swap Dealer and Intermediary Oversight will not recommend that the Commission take enforcement action against certain foreign entities for failure to include a swap executed prior to the earlier of December 31, 2012, or the effective date of a definition of "U.S. person" in a final exemptive order, in its calculations required under the swap dealer and major swap participant definitions, so long as the counterparty to such swap does not fall within certain enumerated categories. The no-action letter also provides similar relief concerning certain swap transactions by certain foreign entities when the counterparty is a foreign branch of a person that falls within one of the enumerated categories and that intends to register as a swap dealer.

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10/12/2012	Time Limited No-action Relief: Foreign Exchange Swaps and Foreign Exchange Forwards Not to be Considered in Calculating Aggregate Gross Notional Amount for Purposes of Swap Dealer De Minimis Exception or in Calculating Substantial Position in Swaps or Substantial Counterparty Exposure for Purposes of the Major Swap Participant Definition. Time-Limited No-action Relief for persons that meet the definitions of Commodity Pool Operators and Commodity Trading Advisors Solely as a Result of their Foreign Exchange Swap and Foreign Exchange Forward Activities.
10/12/2012	The Division of Swap Dealer and Intermediary Oversight will not recommend that the Commission take enforcement action against any person for failure to include, in its calculation of the aggregate gross notional amount of swaps connected with its swap dealing activity for purposes of Commission Regulation 1.3(ggg)(4), a swap that (i) references an exempt commodity or agricultural commodity, and (ii) is executed prior to October 20, 2012. The Division also will not recommend that the Commission take enforcement action against any person for failure to include, in its calculation of daily average aggregate uncollateralized outward exposure and daily average aggregate potential outward exposure for purposes of Commission Regulation 1.3(jj)(4), such exposures arising from any swap that references an exempt commodity or agricultural commodity, from October 12, 2012, through October 20, 2012, inclusive.
10/12/2012	The Division of Swap Dealer and Intermediary Oversight issued an interpretative letter that clarifies, in light of the recent vacatur of the position limits rule, the scope of the bona fide hedging exemption from the trading thresholds as applied to the operators of registered investment companies pursuant to Regulation 4.5.
10/12/2012	The letter provides that the Division of Swap Dealer and Intermediary Oversight will not recommend that the Commission commence an enforcement action against a non-financial entity that regularly transacts in the physical energy markets for failure to apply to be registered as a swap dealer, if the entity limits its swaps connected with its dealing activities with publicly-owned, government-owned and federal agency utilities to no more than \$800 million per year and other requirements set out in the letter are met.
10/12/2012	Interpretations and no-action positions related to ECP status.
10/12/2012	The letter provides that the Division of Swap Dealer and Intermediary Oversight will not recommend that the Commission take enforcement action against any person for failure to include, in its calculation of the aggregate gross notional amount of swaps connected with its swap dealing activity for purposes of Commission Regulation 1.3(ggg)(4), a swap that (i) references an exempt commodity or agricultural commodity, (ii) is executed prior to December 31, 2012, and (iii) is either cleared on a derivatives clearing organization registered with the Commission, or entered into contingent upon its being subsequently exchanged for and cleared as a futures position as part of an exchange for related position transaction conducted in accordance with a DCM's rules.
10/12/2012	The Commodity Futures Trading Commission's (CFTC) Division of Swap Dealer and Intermediary Oversight (DSIO) issued several registration "no-action" positions. In the first position, DSIO announced that it will not recommend that the CFTC commence an enforcement action against any person who, solely by virtue of its swaps activity, would be required to register as an introducing broker, commodity pool operator, commodity trading advisor, AP of any of the foregoing or of an FCM, floor broker or floor trader, provided that on or before December 31, 2012, the person applies for registration. In the second position, DSIO announced a similar registration no-action position for any person who finds themselves required to register solely because of their involvement with the transition of certain contracts on ICE and NYMEX to clearing as commodity futures and options, provided that on or before

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	December 31, 2012, the person applies for registration. In the third position, DSIO announced a no-action position that will permit an SD or MSP to employ a person as an AP, notwithstanding that the person is subject to a statutory disqualification, provided that the SD or MSP requests and receives from the National Futures Association advice that, notwithstanding the disqualification, the person would have been granted registration as an AP.
10/11/2012	The Division of Swap Dealer and Intermediary Oversight issued an interpretative letter excluding certain securitization vehicles from the definition of commodity pool, subject to certain conditions.
10/11/2012	The Division of Swap Dealer and Intermediary Oversight determined that equity real estate investment trusts that satisfy certain criteria are outside the definition of commodity pool as that term is defined in Section 1a(10) of the Commodity Exchange Act and Commission Regulation 4.10(d). The requirements include deriving its income primarily from the ownership and operation of real estate and use derivatives for the limited purpose of mitigating their exposure to changes in interest rates or fluctuations in currency; complying with applicable provisions of the Internal Revenue Code; and identifying itself as an equity REIT on applicable Internal Revenue Service forms. The relief is self-executing.
10/11/2012	The letter maintained the regulatory status quo with respect to the group of petitioners that requested an Order pursuant to Section 4(c)(6) of the CEA for certain government and cooperatively-owned electric utilities. The no-action letters permitted these market participants to continue to operate while the Commission considered the comments received on the proposed Orders issued in response to the respective petitions.
10/11/2012	Staff from the Division of Market Oversight, Division of Swap Dealer and Intermediary Oversight, and the Division of Clearing and Risk issued a No-Action Relief letter preserving the regulatory status quo with respect to provisions of the CEA that may apply to RTOs, ISOs, and/or their participants. The Commission is still considering comments regarding the Proposed Order to Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Commission or the Public Utility Commission of Texas from Certain Provisions of the Commodity Exchange Act (77 FR 52137). The relief granted terminates upon the earliest of the Commission taking final action on the Proposed Order or March 31, 2013.
10/10/2012	The Division of Clearing and Risk staff issued a no-action letter preserving the regulatory status quo with respect to swaps cleared by a DCO (and related) collateral which expires on the compliance date for Part 22 regulations, November 8, 2012.
10/9/2012	Questions and Answers: On Start of Swap Reporting.
9/26/2012	The Division of Clearing and Risk granted an extension for compliance with Regulation 1.73(a)(1) for small exchanges and Regulation 1.73(a)(2)(iv)-(v) for automated screening of give-up and bunched orders, until June 1, 2013.
9/14/2012	The Division of Clearing and Risk issued a letter interpreting Regulation 39.13(g)(8)(ii) (customer margin rule) to clarify that registered derivatives clearing organizations, in establishing customer initial margin requirements, may preserve historical practices by which customer initial margin requirements are based on the type of customer account and reflect the application of prudential standards that result in FCMs collecting customer initial margin at levels commensurate with the risk presented by each type of customer account.

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<b>9/10/2012</b>	CFTC Staff responds to Questions on Timing of Swap Dealer Registration rules.
<b>9/4/2012</b>	Availability of a Legal Entity Identifier Meeting the Requirements of the Regulations of the Commodity Futures Trading Commission and Designation of Provider of Legal Entity Identifiers to be Used in the Recordkeeping and Swap Data Reporting
<b>8/16/2012</b>	The Division of Market Oversight issued an interpretation addressing whether, under Part 151 of the Commission's regulations, an electric company may treat as bona fide hedging transactions certain derivative transactions that reduce the price risk associated with its unfilled anticipated requirements for natural gas, even though it has entered into some long-term, firm purchases of natural gas at an unfixed price. The interpretation notes that unfilled anticipated requirements may be recognized as the basis of a bona fide hedging position or transaction under Commission Regulation 151.5(a)(2)(ii)(C) when a commercial enterprise has entered into long-term, unfixed-price supply or requirements contracts as the price risk of such "unfilled" anticipated requirements is not offset by an unfixed price forward contract as the price risk remains with the commercial, even though the commercial enterprise has contractually assured a supply of the commodity. Instead, the price risk continues until the forward contract's price is fixed; once the price is fixed on the supply contract, the commercial enterprise no longer has price risk and the derivative position, to the extent the position is above an applicable speculative position limit, must be liquidated in an orderly manner in accordance with sound commercial practices.
<b>8/14/2012</b>	The staff of the Division of Market Oversight issued a no-action letter providing that, for a limited time, market participants can rely on the trade option exemption in CFTC regulation 32.3 without complying with specified provisions thereof. The no action letter is effective until the earlier of December 31, 2012, or the effective date of any final action taken by the Commission in response to comments on the Trade Option Exemption Interim Final Rules (77 FR 25320). To rely on the no-action relief, market participants must comply with: (1) the conditions for qualifying as a "trade option" (§ 32.3(a)); (2) speculative position limits (§ 32.3(c)(2)); and (3) prohibitions on fraud, manipulation and other abusive trade practices (§ 32.3(d)).
<b>8/14/2012</b>	The Division of Swap Dealer and Intermediary Oversight Responds to Frequently asked questions – CPO/CTA: Amendments to Compliance Obligations.
<b>7/24/2012</b>	The Division of Market Oversight issued a letter to market participants providing temporary no-action relief in order to give effect to the Commission's commitment to "coordinate the disposition" of a May 30, 2012 notice of proposed rulemaking regarding aggregation (Aggregation Notice) with the implementation of position limits under part 151 (Position Limits Rule), as well as "to provide an orderly transition to the compliance dates" for the Position Limits Rule. The no-action relief provides two alternative methods for compliance: (1) as if the Position Limits Rule were amended to include the provisions proposed in the Aggregation Notice; and (2) in conformity with the dis-aggregation criteria specified in the no-action relief. This temporary relief is intended to provide sufficient time for persons to transition to fully compliant aggregation by 60 days after the earlier of the date the Commission publishes a rule finalizing changes to the Commission's aggregation policy or the date the Commission issues an order declining to take further action on the Aggregation Notice. The relief is time limited to no later than December 31, 2012.
<b>7/17/2012</b>	The Division of Market Oversight issued a letter to market participants providing temporary no-action relief for reporting by non-clearing member swap dealers under the CFTC's large trader reporting system for physical commodity swaps and swaptions. This temporary relief is intended to provide sufficient time for non-clearing member swap dealers to transition to fully compliant reporting by 60 days after the Commission's deadline for entities to apply to register as swap dealers. In addition, the

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	letter provides a further six months of no-action relief to non-clearing member swap dealers that satisfy the conditions of Section 20.10(e) of the Commission's regulations.
<b>7/13/2012</b>	Second Amendment to July 14, 2011, Order for Swap Regulation
<b>7/10/2012</b>	The Division of Swap Dealer and Intermediary Oversight (the Division) of the Commodity Futures Trading Commission today issued a notice of the availability of time-limited no action relief for commodity pool operators (CPOs) and commodity trading advisors (CTAs) who would have been exempt or excluded from registration but for the recent amendments to Regulations 4.13 and 4.5. The Division has determined not to recommend that the Commission take an enforcement action against CPOs or CTAs for failure to register as such until December 31, 2012, subject to certain requirements, including the filing of a notice with the Division. Once filed, this no-action relief is effective immediately.
<b>7/2/2012</b>	The Division of Market Oversight issued a letter to market participants providing temporary no-action relief for less than fully compliant reporting of positions based on ownership under the CFTC's large trader reporting system for physical commodity swaps and swaptions. This temporary relief is intended to provide sufficient time for the industry to transition to fully compliant reporting for positions based on ownership by July 27, 2012. As a condition of this relief, market participants must submit, by July 30, 2012, fully compliant reports dating back to July 2, 2012.
<b>6/1/2012</b>	The Division will not recommend that the Commission take an enforcement action against FCMs or IBs for failure to be fully compliant with Regulations 1.71(a)-(c), (e) and (f) until 60 days beyond the current June 4, 2012 compliance date of the Regulation (August 3, 2012).
<b>1/19/2012</b>	Performance of Registration Functions by National Futures Association with Respect to Swap Dealers and Major Market Participants
<b>12/23/2011</b>	Amendment to July 14, 2011, Order for Swap Regulation
<b>12/14/2011</b>	Interim Final Regulation: Retail Commodity Transactions under Commodity Exchange Act.
<b>7/19/2011</b>	Effective Date for Swap Regulation ("July 14, 2011, Order")
<b>9/16/2010</b>	Orders Regarding the Treatment of Petitions Seeking Grandfather Relief for Exempt Commercial Markets and Exempt Boards of Trade
<b>9/16/2010</b>	Notice Regarding the Treatment of Petitions Seeking Grandfather Relief for Trading Activity Done in Reliance upon Section 2(h)(1)-(2) of the Commodity Exchange Act
<b>9/10/2010</b>	Performance of Registration Functions by National Futures Association with Respect to Retail Foreign Exchange Dealers and Associated Persons

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3. A list and copies of all emails and correspondence not published in the Federal Register used to clarify or interpret substantive provisions of Dodd-Frank rules and regulations to industry groups and interested parties similar to the email of September 21, 2012. (Please also include the September 21 email.)

**Response:** Commission personnel at the CFTC play a key role in providing guidance for and responses to the questions of persons seeking clarification. Often, the questions of these members of the public are addressed with a phone call or a meeting. CFTC staff will also communicate via e-mail. In many circumstances, the Commission publishes on its website the answers to commonly-asked questions. The Commission's website also displays no-action letters issued by Commission staff.

With regard to the September 21, 2012, email, for the timing for submissions of cleared swaps, the relevant final rule adopted by the Commission requires that a trade be accepted or rejected for clearing as quickly as would be technologically practicable if fully automated systems were used. The final rule also includes delegations to the agency's Director of the Division of Clearing and Risk to establish an alternative compliance schedule on the request of a futures commission merchant, swap dealer, or major swap participant. The final rule expressed the Commission's belief, after review of public comments, that the timing standard, though flexible, would require action in a matter of milliseconds or seconds or, at most, a few minutes, but not hours or days. Compressing the time between trade execution and acceptance for clearing to, as our final rule says, "as quickly as would be technologically practicable if fully automated systems were used" enables any participant to transact on a level playing field. Such uniform standards, similar to the practices in the futures markets, also lower risk because they allow market participants to get the prompt benefit of clearing rather than having to first enter into a bilateral transaction that would subsequently be moved into a clearinghouse.

The September 21, 2012, e-mail is included along with a sampling of other guidance provided in response to questions.

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**From:** Radhakrishnan, Ananda

**Sent:** Friday, September 21, 2012 3:56 PM

**To:** Alexander Broderick; Ann Shuman ([ann.shuman@cmegroup.com](mailto:ann.shuman@cmegroup.com)); Audrey Hirschfeld; Charles Savage; Cheryl Graden; Chris Edmonds; Christopher Bowen; Dee Blake; Eric Delain; Ian Axe; Ira Krulik ([ikrulik@nypclear.com](mailto:ikrulik@nypclear.com)); James Brown; James D. Facente ([jfacente@mgex.com](mailto:jfacente@mgex.com)); Jay Iyer; Jean Cawley ([jcawley@theocc.com](mailto:jcawley@theocc.com)); Jeffrey Borchardt; Joseph Ott; Kevin McClear; Kim Taylor; Laura Klimpel; Laurian

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Last Edit: June 28, 2013

Cristea; Layne Carlson; Lisa Dunskey; Lisa Rosen; Mark Bagan; Michael Cahill; Nolan Glantz; Paul Swann; Peter Barsoom ([peter.barsoom@theice.com](mailto:peter.barsoom@theice.com)); Peter Krenkel; Peter LePiane; Rich Jaycobs; Ross Josephson ([rjosephson@cantor.com](mailto:rjosephson@cantor.com)); Scott Hill; Stephen Szarmack; Suzanne Calcagno ([suzanne.calcagno@lchclearnet.com](mailto:suzanne.calcagno@lchclearnet.com)); Thomas Hammond; Tim Doar ([tim.doar@cmegroup.com](mailto:tim.doar@cmegroup.com)); Tim McDermott; Timothy Maher; Trabue Bland; Yossi Beinart; Walt Lukken; Legal ([legal@futuresindustry.org](mailto:legal@futuresindustry.org)); Chiodi, Maria ([maria.chiodi@credit-suisse.com](mailto:maria.chiodi@credit-suisse.com))  
**Cc:** Hower, Christopher; Lawton, John C.; Dietz, Phyllis; Josephson, Sarah E; Mohr, Julie A.; Wasserman, Robert B.; Radhakrishnan, Ananda; Miller, Ryne  
**Subject:** RE: Regulation 39.12(b)(7)(B)

**To all DCOs and FCMs that are clearing members of a DCO or DCOs:**

Further to my e-mail below, which was addressed to all registered DCOs, the purpose of this e-mail is to set forth the expectations of the Division of Clearing & Risk (DCR) with respect to compliance with Commission Regulation 1.74 - Futures commission merchant acceptance for clearing.

DCR reminds all entities that are subject to Regulation 1.74 that the effective date for compliance with Regulation 1.74 is October 1, 2012. See 77 FR 21278 (April 9, 2012) at 21291.

Regulation 1.74(b) requires that “Each futures commission merchant that is a clearing member of a derivatives clearing organization shall accept or reject each trade submitted by or for it or its customers as quickly as would be technologically practicable if fully automated systems were used;...”

The Commission clarified that this standard would require action in a matter of milliseconds or seconds or, at most, a few minutes, not hours or days.” See 77 FR 21278 at 21285. The Commission also stated that “...it believes.....that prudent risk management dictates that once a trade has been submitted to a clearing member or a DCO, the clearing member or DCO must accept or reject it as quickly as possible”.

Given the foregoing, DCR’s expectations, with respect to Regulation 1.74, are as follows:

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- (1) With effect from October 1, 2012, each FCM that is a clearing member of a DCO or DCOs must, no later than 120 seconds (2 minutes) after a trade has been submitted to it by or for a customer:
- (a) accept or reject the trade for clearing; and
  - (b) submit it to the relevant DCO for clearing

Illustration of (1) above – **Assume** Customer A submits a trade to clearing FCM B at 0900 hours Eastern time for clearing at DCO C. We expect clearing FCM B to accept or reject the trade AND submit it to DCO C no later than 0902 hours Eastern time.

- (2) No later than ninety (90) days from the date of publication, in the Federal Register, of the final rule for the clearing requirement determination (as proposed in 77 FR 47170) for credit default swaps (CDS) and interest rate swaps (IRS), each FCM that is a clearing member of a DCO or DCOs must, no later than 60 seconds (1 minute) after a trade has been submitted to it by or for a customer:
- (a) accept or reject the trade for clearing; and
  - (b) submit it to the relevant DCO for clearing

Illustration of (2) above – **Assume** that the Commission issues a final rule for the clearing determination requirement for CDS & IRS and it is published in the Federal Register on November 15, 2012. Also assume that Customer A submits a trade to clearing FCM B at 0900 hours Eastern time for clearing at DCO C. No later than 90 days from November 15, 2012, we expect clearing FCM B to accept or reject the trade AND submit it to DCO C no later than 0901 hours Eastern time.

In summary, the expected standard is 120 seconds from October 1, 2012. Once the clearing determination for CDS & IRS is published in the Federal Register, the expected standard is 60 seconds with effect from the 90<sup>th</sup> day after publication.

I will appreciate it if all DCOs will inform their FCM clearing members accordingly.

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The email is also being sent to FIA Legal for distribution.

Ananda Radhakrishnan  
Director, DCR

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**From:** Radhakrishnan, Ananda  
**Sent:** Friday, August 31, 2012 2:51 PM  
**To:** 'Alexander Broderick'; 'Ann Shuman ([ann.shuman@cmegroup.com](mailto:ann.shuman@cmegroup.com))'; 'Audrey Hirschfeld'; 'Charles Savage'; 'Cheryl Graden'; 'Chris Edmonds'; 'Christopher Bowen'; 'Dee Blake'; 'Eric Delain'; 'Ian Axe'; 'Ira Krulik ([ikrulik@nypclear.com](mailto:ikrulik@nypclear.com))'; 'James Brown'; 'James D. Facente ([jfacente@mgex.com](mailto:jfacente@mgex.com))'; 'Jay Iyer'; 'Jean Cawley ([jcauley@theocc.com](mailto:jcauley@theocc.com))'; 'Jeffrey Borchardt'; 'Joseph Ott'; 'Kevin McClear'; 'Kim Taylor'; 'Laura Klimpel'; 'Laurian Cristea'; 'Layne Carlson'; 'Lisa Dunskey'; 'Lisa Rosen'; 'Mark Bagan'; 'Michael Cahill'; 'Nolan Glantz'; 'Paul Swann'; 'Peter Barsoom ([peter.barsoom@theice.com](mailto:peter.barsoom@theice.com))'; 'Peter Krenkel'; 'Peter LePiane'; 'Rich Jaycobs'; 'Ross Josephson ([rjosephson@cantor.com](mailto:rjosephson@cantor.com))'; 'Scott Hill'; 'Stephen Szarmack'; 'Suzanne Calcagno ([suzanne.calcagno@lchclearnet.com](mailto:suzanne.calcagno@lchclearnet.com))'; 'Thomas Hammond'; 'Tim Doar ([tim.doar@cmegroup.com](mailto:tim.doar@cmegroup.com))'; 'Tim McDermott'; 'Timothy Maher'; 'Trabue Bland'; 'Yossi Beinart'  
**Cc:** Hower, Christopher; Lawton, John C.; Dietz, Phyllis; Josephson, Sarah E; Mohr, Julie A.; Wasserman, Robert B.  
**Subject:** Regulation 39.12(b)(7)(B)

Dear DCOs

This email is a reminder that Commission Regulation 39.12(b)(7)(B), approved on April 9, 2012, becomes effective on October 1, 2012.

Regulation 39.12(b)(7)(B) requires DCOs “to accept or reject each trade submitted to the derivatives clearing organization for clearing by or for the clearing member or a customer of the clearing member as quickly as would be technologically practicable if fully automated systems were used.” See 77 FR 21309.

The Commission clarified that this standard “would require action in a matter of milliseconds or seconds or, at most, a few minutes, not hours or days.” See 77 FR 21285.

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This standard is designed to accommodate developments in technology that continue to reduce trade latency. The Commission understood that on December 13, 2011, interest rate swaps were executed and cleared in an average of 1.9 seconds. See 77 FR 21285.

Given the foregoing, the Division of Clearing & Risk expects all DCOs to accept or reject trades not later than 60 seconds after submission.

Thank you,

Ananda Radhakrishnan  
Director, Division of Clearing & Risk

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**From:** Burns, Jeffrey P.  
**Sent:** Monday, February 11, 2013 3:11 PM  
**To:** 'George Bollenbacher'  
**Subject:** RE: Swap Dealer Definition

Yes...it is the defining definition of a swap dealer that is set forth in Section 1a(49) of the CEA and further defined and interpreted in the Entities Adopting Release. As a result, this will be an activities or facts and circumstances test rather than one based purely on "status."

---

Jeffrey P Burns, Assistant General Counsel, Commodity Futures Trading Commission  
Three Lafayette Centre, 1155 21st Street, N.W.  
Washington, DC 20581  
Tele: (202) 418-5101; Fax: (202) 418-5567  
[jburns@cftc.gov](mailto:jburns@cftc.gov)

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**From:** George Bollenbacher [<mailto:george.bollenbacher@kinetixtt.com>]  
**Sent:** Monday, February 11, 2013 3:06 PM  
**To:** Burns, Jeffrey P.  
**Subject:** RE: Swap Dealer Definition

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Yes, I read that. Can you define for me what it means to “engage in dealing activities”? Is it the same four descriptions as at the beginning of the SD designation? Thanks.

George Bollenbacher  
Head, Regulatory Reform Practice  
914-393-7327  
[george.bollenbacher@kinetixtt.com](mailto:george.bollenbacher@kinetixtt.com)  
**From:** Burns, Jeffrey P. [<mailto:JBurns@CFTC.gov>]  
**Sent:** Monday, February 11, 2013 3:01 PM  
**To:** George Bollenbacher  
**Subject:** RE: Swap Dealer Definition

George, I have attached an FAQ prepared by the Division of Swap Intermediary Oversight (DSIO) in October 2012. Page 4 of this FAQ should answer your question regarding affiliates of SDs. –Jeff

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Jeffrey P Burns, Assistant General Counsel, Commodity Futures Trading Commission  
Three Lafayette Centre, 1155 21st Street, N.W.  
Washington, DC 20581  
Tele: (202) 418-5101; Fax: (202) 418-5567  
[jburns@cftc.gov](mailto:jburns@cftc.gov)

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**From:** George Bollenbacher [<mailto:george.bollenbacher@kinetixtt.com>]  
**Sent:** Monday, February 11, 2013 1:46 PM  
**To:** Burns, Jeffrey P.  
**Subject:** Swap Dealer Definition

Hello, Mr. Burns. I have a question about the designation of an affiliate of a swap dealer as a swap dealer itself. If the trading volume on the books of an affiliate is aggregated for the de minimis calculation, must that affiliate also register as a SD, or are there additional conditions that would affect whether an affiliate must separately register as a SD? Thanks for your help.

George Bollenbacher  
Head, Regulatory Reform Practice  
914-393-7327  
[george.bollenbacher@kinetixtt.com](mailto:george.bollenbacher@kinetixtt.com)

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**From:** Burns, Jeffrey P.  
**Sent:** Wednesday, August 01, 2012 12:24 PM  
**To:** 'david.perlman@bgllp.com'  
**Cc:** Danger, Kenneth L; Adriance, Riva; Fajfar, Mark  
**Subject:** FW: Visibility Levels

David, in connection with the determination of whether one is an MSP, all positions as of the compliance date are counted. The compliance date will be 60-days after the swap definition is published in the FR.

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Jeffrey P Burns, Assistant General Counsel, Commodity Futures Trading Commission  
Three Lafayette Centre, 1155 21st Street, N.W.  
Washington, DC 20581  
Tele: (202) 418-5101; Fax: (202) 418-5567  
[jburns@cftc.gov](mailto:jburns@cftc.gov)

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**From:** Perlman, David [<mailto:David.Pperlman@bgllp.com>]  
**Sent:** Monday, July 30, 2012 8:35 AM  
**To:** Danger, Kenneth L  
**Subject:** Visibility Levels

Ken,

Are pre-existing positions grandfathered for position viability? If so, could you please reference in the rule where this is established.

Thanks in advance

Regards,

David

David M. Perlman | Partner | Bracewell & Giuliani LLP  
2000 K Street NW Suite 500 | Washington, D.C. | 20006-1872  
T: 202.828.5804 | F: 202.857.4842  
[david.perlman@bgllp.com](mailto:david.perlman@bgllp.com) | [www.bgllp.com/perlman](http://www.bgllp.com/perlman) | [www.bgllp.com](http://www.bgllp.com)

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Notional Value

The Bank for International Settlements (BIS) gives the global Notional Value of the swaps market to be approximately \$700 trillion, but BIS also gives \$20 trillion to be the Gross Market Value of the global swaps market. BIS explicitly states that “gross market values provide a more accurate measure of the scale of financial risk” than notional value. However, CFTC has chosen to use the notional value in its budget request and testimony before Congress.

4. Please provide the Gross Market Value of the US and global futures market. Do not provide the notional value.

**Response:** The Bank for International Settlements (BIS) publishes derivatives statistics compiled from reports of central banks of the G10 countries. Its regular reports describe the swap markets in terms of the notional size of the market, the gross market value, and other measures.

BIS also publishes statistics for derivative financial instruments traded on exchanges in the participating nations. Those statistics include the notional principal amount outstanding. For the exchange-traded products, the BIS report does not include a figure for gross market value. As the gross market value figure essentially measures accrued gains and losses of swap positions, one relatable measure identified by the CFTC staff to compare the exchange-traded market to the gross market value of the OTC derivatives market is the total amount of initial margin collected to support the exchange-traded positions. Futures margin is generally designed to cover 99% of one-day moves. Staff has estimated aggregate clearing margin of \$80 billion in CFTC-regulated markets.

The average daily settlement in the exchange-traded derivatives market is another measure that could be compared to the OTC gross market value. The average daily settlement describes the funds that clearinghouses transfer between parties based on the day's change in position values. Making conservative assumptions based on an average daily settlement of CFTC-regulated DCMs of \$4 billion (representative of the experience of the two largest clearinghouses over a six-month period), CFTC staff has derived an estimate of \$180 billion as representative of accrued gains and losses on U.S. futures positions.

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CFTC Pay Scale

5. Please provide the pay-scale the CFTC currently uses for all grades, ranks, levels and steps. Use the most up to date information available.

**Insert 1**

CT Grade	Minimum	Maximum
1	\$21,365	\$30,121
2	\$24,020	\$34,154
3	\$26,208	\$38,494
4	\$29,421	\$43,208
5	\$32,917	\$48,342
6	\$36,692	\$53,892
7	\$40,774	\$59,892
8	\$45,157	\$66,327
9	\$49,876	\$73,259
10	\$54,926	\$80,678
11	\$60,346	\$88,647
12	\$72,327	\$106,237
13	\$86,009	\$126,336
14	\$101,636	\$149,291
15	\$119,555	\$175,603
16	\$138,323	\$203,173
17	\$160,040	
18	\$185,165	

\*Total Pay Capped at Vice President's  
Salary of \$230,700

Locality Percentages

Washington, DC	24.22%
Chicago	25.10%
Kansas City	14.16%
New York	28.72%

<b>CT Grade</b>	<b>Minimum</b>	<b>Maximum</b>
1	\$26,539	\$37,416
2	\$29,838	\$42,426
3	\$32,556	\$47,817
4	\$36,547	\$53,672
5	\$40,890	\$60,051
6	\$45,579	\$66,945
7	\$50,649	\$74,398
8	\$56,094	\$82,392
9	\$61,956	\$91,002
10	\$68,229	\$100,219
11	\$74,962	\$110,117
12	\$89,844	\$131,968
13	\$106,840	\$156,935
14	\$126,252	\$185,450
15	\$148,511	\$218,134
16	\$171,825	
17	\$198,802	
18	\$230,013	

\*Total Pay Capped at Vice President's  
Salary of \$230,700

<b>CT Grade</b>	<b>Minimum</b>	<b>Maximum</b>
1	\$26,727	\$37,682
2	\$30,049	\$42,726
3	\$32,787	\$48,156
4	\$36,805	\$54,053
5	\$41,180	\$60,476
6	\$45,902	\$67,419
7	\$51,008	\$74,925
8	\$56,492	\$82,975
9	\$62,395	\$91,647
10	\$68,712	\$100,929
11	\$75,493	\$110,897
12	\$90,481	\$132,902
13	\$107,597	\$158,046
14	\$127,147	\$186,763
15	\$149,563	\$219,680
16	\$173,042	
17	\$200,210	
18		

\*Total Pay Capped at Vice President's  
Salary of \$230,700

<b>CT Grade</b>	<b>Minimum</b>	<b>Maximum</b>
1	\$24,390	\$34,386
2	\$27,421	\$38,990
3	\$29,919	\$43,945
4	\$33,587	\$49,326
5	\$37,579	\$55,188
6	\$41,888	\$61,524
7	\$46,547	\$68,373
8	\$51,552	\$75,719
9	\$56,939	\$83,632
10	\$62,703	\$92,102
11	\$68,891	\$101,199
12	\$82,568	\$121,280
13	\$98,188	\$144,225
14	\$116,028	\$170,431
15	\$136,484	\$200,469
16	\$157,910	
17	\$182,702	
18	\$211,385	

\*Total Pay Capped at Vice President's  
Salary of \$230,700

<b>CT</b>		
<b>Grade</b>	<b>Minimum</b>	<b>Maximum</b>
1	\$27,501	\$38,772
2	\$30,919	\$43,963
3	\$33,735	\$49,549
4	\$37,870	\$55,617
5	\$42,371	\$62,226
6	\$47,230	\$69,370
7	\$52,484	\$77,093
8	\$58,127	\$85,376
9	\$64,200	\$94,299
10	\$70,700	\$103,849
11	\$77,677	\$114,106
12	\$93,099	\$136,748
13	\$110,711	\$162,620
14	\$130,826	\$192,168
15	\$153,891	\$226,036
16	\$178,050	
17	\$206,004	
18		

\*Total Pay Capped at Vice President's  
Salary of \$230,700

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6. Please provide a table with the number of employees the CFTC currently employs broken down by grade, rank, level, and steps. Use the most up to date information available.

Insert 2

Grade	No.
CT-03	1
CT-04	4
CT-06	1
CT-07	7
CT-08	8
CT-09	12
CT-10	3
CT-11	23
CT-12	47
CT-13	170
CT-14	240
CT-15	130
CT-16	34
CT-18	8

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7. Please provide a table that displays the difference in pay-scale between the CT pay-scale that the CFTC currently uses and the GS pay-scale that is used government-wide. The values in this table must show the difference between the CT and GS pay-scale for each and all grades, ranks, levels and steps. Do not just provide a copy of the GS Pay scale and the CT Pay Scale. Use the most up to date information available.

Insert 3

CT	Min	Max	GS	Min	Max
1	\$21,365	\$30,121	1	\$17,803	\$22,269
2	\$24,020	\$34,154	2	\$20,017	\$25,191
3	\$26,208	\$38,494	3	\$21,840	\$28,392
4	\$26,208	\$48,342	4	\$24,518	\$31,871
5	\$32,917	\$32,917	5	\$27,431	\$35,657
6	\$36,692	\$53,892	6	\$30,577	\$39,748
7	\$40,774	\$59,892	7	\$33,979	\$44,176
8	\$45,157	\$66,327	8	\$37,631	48,917
9	\$49,876	\$73,259	9	\$41,563	\$54,028
10	\$54,926	\$80,678	10	\$45,771	\$59,505
11	\$60,346	\$88,647	11	\$50,287	\$65,371
12	\$72,327	\$106,237	12	\$60,274	\$78,355
13	\$86,009	\$126,336	13	\$71,674	\$93,175
14	\$101,636	\$149,291	14	\$84,697	\$110,104
15	\$119,555	\$175,603	15	\$99,628	\$129,517
*16	\$138,323	\$203,173	SES Pay		
*17	\$160,040	\$235,072	Minimum	119,554	
*18	\$185,165	\$271,976	Maximum	* *179,700	

\* Executive Level  
All CFTC Pay capped at \$230,700 (VP cap)

CFTC Locality Rates

Washington, DC	24.22%
Chicago, IL	25.10%
New York, NY	28.72%
Kansas City, MO	14.16%

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8. Using the information provided above and the CFTC's current personnel structure, please provide a table showing the number of employees the CFTC would be able to hire under the most up to date GS pay-scale for all grades, ranks, levels, and steps. Please provide the cumulative total under the GS scale and the current total under the CT scale.

**Response:** The CFTC has had independent pay authority outside the General Schedule pay system since 2003 as a result of the Farm Security and Rural Investment Act. The agency compensation costs are calculated under this authority.

Leasing Costs

9. Please provide a table showing the leasing costs for all CFTC offices starting in FY 2009 through estimated FY 2013. Include in the table the actual FTEs for each year at each office. Include the FTE capacity at each office for each year. Also include the FTE equivalent for contractors. Include the square feet for each year and for each office with totals for each year.

**Insert 4 responds to questions 9, 11, and 12.**

**Insert 4**

House Agriculture Appropriations Subcommittee Hearing QFRs  
12-Apr-13

Data for Questions 9 and 11:

CFTC Lease Payments												
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Projected	Projected	Projected	Projected
Washington <sup>1/</sup>	58,499,526	58,369,628	511,847,036	513,407,849	514,431,796	514,070,214	515,318,993	516,741,036	-	-	-	-
Chicago <sup>2/</sup>	1,864,000	1,690,267	1,138,359	2,083,106	2,232,734	2,490,381	2,370,279	2,442,355	-	-	-	-
New York <sup>3/</sup>	2,437,656	2,331,387	2,426,305	197,190	1,806,896	2,228,390	2,786,412	2,432,606	-	-	-	-
Kansas City (Old Lease)	136,500	187,718	188,413	237,600	-	-	-	-	-	-	-	-
Kansas City (New Lease)	-	-	-	479,670	518,388	559,106	578,155	599,335	-	-	-	-
Total	\$12,897,661	\$12,546,000	\$55,106,113	\$16,406,314	\$19,060,813	\$19,558,901	\$20,527,799	\$21,713,332	-	-	-	-

Percent Change: 17.23% -3.30% 20.33% 9.13% 15.31% 4.59% 2.85% 5.78%

1/ 2010 Washington does not reflect \$5.9m Transit Improvement Allowance as the actual use of this allowance for improvements or rent credits is TBD.

2/ 2012 Chicago reflect newly negotiated rental rates.

3/ 2012 New York reflect rental reduction credit.

Rentable Square Feet												
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Projected	Projected	Projected	Projected
Washington	151,785	161,785	270,645	284,482	284,482	284,482	284,482	284,482	284,482	284,482	284,482	284,482
Chicago	40,750	40,750	60,412	60,412	60,412	60,412	60,412	60,412	60,412	60,412	60,412	60,412
New York	39,363	39,363	39,363	46,347	61,510	61,510	61,510	61,510	61,510	61,510	61,510	61,510
Kansas City (Old Lease)	8,066	8,066	8,066	-	-	-	-	-	-	-	-	-
Kansas City (New Lease)	-	-	-	24,362	24,362	24,362	24,362	24,362	24,362	24,362	24,362	24,362
Total	246,964	249,964	378,486	415,603	430,766	430,766	430,766	430,766	430,766	430,766	430,766	430,766

Average Cost RSF  
RSF Per (On-Board + Contractor FTE Equivalent)

	552	500	540	540	544	548	548	550				
	308.14	300.08	429.61	409.86	486.74	317.33	317.33	317.33				

CFTC Staffing <sup>1/</sup>												
	FY 2009	FY 2009 On-Board	FY 2010 On-Board	FY 2010 FTE	FY 2011 On-Board	FY 2011 FTE	FY 2012 On-Board	FY 2012 FTE	FY 2013 On-Board	FY 2013 FTE	FY 2014 On-Board	FY 2014 FTE
Washington	278	324	441	397	412	412	409	457	462	460	695	695
Chicago	101	87	132	109	132	118	116	128	130	130	163	163
New York	72	68	83	76	82	83	79	80	76	76	106	106
Kansas City	20	18	23	22	23	23	22	23	21	21	51	51
Minneapolis	1	1	1	1	-	-	-	-	-	-	-	-
Customer Protection Fund (Washington DC)	-	-	-	-	-	-	6	2	5	5	6	6
Total	572	608	680	605	660	668	732	690	695	682	1,021	1,021

Contractor Spending FTE Equivalents

	107	153	312	282	100	295	295	295	295	295	295	295
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1/ 2014 assumes the FY2014 President's Budget is enacted. 2015 and 2016 assume a "current services" budget based on 2014.

Data for Question 12:

CITC Deferred Lease Costs										
	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Deferred Costs (TIA)										
Beginning Balance, October 1	0	\$0	\$5,303,367	\$6,354,873	\$1,234,213	\$0	\$0	\$0	\$0	\$0
TIA Received	0	6,629,890	6,701,194	2,866,320	0	0	0	0	5,952,544	5,952,544
TIA Used	0	-326,513	-6,749,588	-7,888,570	-1,234,213	0	0	0	-5,952,544	-5,952,544
Ending Balance, September 30	\$0	\$5,303,367	\$5,304,873	\$1,234,213	\$0	\$0	\$0	\$0	\$0	\$0

COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

10. Please provide the buyout costs and all associated costs CFTC paid to secure office space of other tenant leases for each year from FY 2009 through estimated FY 2013.

**Response: CFTC did not pay any buyout costs to secure office space from FY 2009 through FY2013.**

11. Please provide the projected obligations through FY 2016 for CFTC leasing costs. Include the costs, FTEs, FTE equivalent for contractors, and the square footage for each year along with the yearly totals.

**Insert 4 (above) responds to questions 9, 11, and 12.**

12. Please provide all deferred lease costs from FY 2009 through FY 2016.

**Insert 4 (above) responds to questions 9, 11, and 12.**

Peregrine Financial

13. Please provide a description and the number of audits the CFTC itself, not the Self-Regulatory Organizations, carried out of Peregrine Financial, beginning in FY 2000. If the audits were carried out by contractors, please include these. Did CFTC verify customer funds during these audits? Please provide documentation of the verification of these funds.

**Response: The CFTC Staff performed the following limited scope reviews of Peregrine Financial for the period FY 2000 through July 2012. The reviews were not carried out by contractors and did not involve verifying customer funds.**

**July 2007 - A limited review of certain regulated commodity records of Peregrine Financial for the purpose of assessing compliance with certain sections of the CEA and the Commission's segregation, set-aside and related recordkeeping rules as they relate to customer owned securities.**

**December 2008 – A limited review of securities representing investments of customer funds was conducted to help ensure the reverse repurchase transactions were in compliance with CFTC Regulation 1.25(d).**

**November 2010 – An Anti-Money Laundering (AML) operational review to “walk-through” of Peregrine Financial's implementation of procedures and day-to-day operations**

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Last Edit: June 28, 2013

**as related to the AML Program's compliance with the Bank Secrecy Act and CFTC Regulation 42.2.**

14. Please provide documentation of the audits carried out between 2006 and 2010. If the audits were carried out by contractors hired by CFTC, please provide these documents.

**Response: The following are the audit reports for this period. Note, none of the audits were performed by contractors.**

**Insert 5**



Central Region Division of Clearing and Intermediary Oversight  
Audit and Financial Review

**REPORT ON THE LIMITED REVIEW**

**OF**

**PEREGRINE FINANCIAL GROUP, INC.**

**AS OF JULY 31, 2007**

190 South LaSalle Street

7<sup>th</sup> Floor

Chicago, Illinois 60603

Prepared by *M. Franklin (mgf)* Date: 10/30/08  
Michael Franklin, Auditor

Prepared by *Carrie Coff* Date: 10/30/08  
Carrie Coffin, Lead Auditor

Reviewed by *Margaret Gál* Date: 10-30-08  
Margaret Gál, Supervisory Auditor

Approved by *H. Frank Zimmerle* Date: 10-30-08  
H. Frank Zimmerle, Branch Chief

**REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.  
As of July 31, 2007**

**Firm Profile:**

DSRO: NFA

Fiscal Year End: December 31

Contacts: Brenda Cuypers, Chief Financial Officer; Susan O'Meara, Director of Compliance

**Financial Information as of July 31, 2007:**

<b><u>Description</u></b>	<b><u>Amount</u></b>
Adjusted Net Capital	\$12,782,000
Minimum Capital Requirement	6,418,000
Excess Net Capital	6,364,000
Segregated Requirement	179,064,000
Segregated Funds	182,509,000
Excess Segregation Funds	3,445,000
Secured Requirement	11,018,000
Secured Funds	13,491,000
Excess Secured Funds	2,473,000

**Introduction:**

During the review of Peregrine's June 30, 2007, and July 31, 2007, 1-FR-FCM statements, CRO noted that the segregated customer owned securities ("COS") reported within the segregated requirement did not agree with the COS reported within the segregated assets. The June, 30, 2007, "Reconcile" section of the Statement of Segregation, explains the difference as "Adj securities @ mkt". Ms. Gal contacted Ms. Cuypers, Peregrine's Chief Financial Officer, on September 10, 2007, to inquire about the COS adjustments. Ms. Cuypers stated that the COS adjustments are attributable to the fact that Peregrine reports these securities in 30.7 Secured Funds and that the classification agrees with the carrying broker (Prudential) statement. Based on CRO analysis the COS adjustment started in January, 2007. The review of Peregrine's monthly 1-FR-FCM statements from January, 2007 to July, 2007 indicated that the amount of the COS adjustment agreed with the 30.7 secured securities at the carrying broker.

**Purpose and Scope of the Examination:**

As a result of the customer owned securities error, CRO's staff determined field work was required and starting on October 29, 2007, CRO reviewed certain regulated commodity records of Peregrine, a futures commission merchant ("FCM"), as of July 31, 2007, for the purpose of assessing compliance with certain sections of the Commodity Exchange Act ("CEAct") and the Commission's segregation, set-aside, and related recordkeeping rules as they relate to customer owned securities.

**REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.  
As of July 31, 2007**

On October 29, 2007, Carrie Coffin and Mike Franklin, CRO auditors, met with Brenda Cuypers, CFO, and Susan O'Meara, Director of Compliance, at the firm's offices. The firm provided the requested documents and answered initial questions related to the review.

**Audit Objectives/Conclusions:**

1. To review the firm's classification of its COS as of July 31, 2007 and to ensure that the COS error was corrected.

CRO noted that the segregated customer owned securities ("COS") reported within the segregated requirement did not agree with the COS reported within the segregated assets for the period from January 30, 2007, to July 31, 2007. The review of Peregrine's monthly 1-FR-FCM statements from January, 2007 to July, 2007 indicated that the amount of the COS adjustment agreed with the 30.7 secured securities at the carrying broker. Furthermore, the COS adjustment exceeded the excess segregated funds and the excess 30.7 secured funds for the aforementioned seven month period, refer to the table below.

Date	COS Adjustment	Excess Segregated Funds	Excess 30.7 Secured Funds
1/30/2007	6,333,554	3,886,119	3,199,703
2/28/2007	8,115,097	1,667,263	3,951,137
3/31/2007	4,313,663	1,906,951	2,357,685
4/30/2007	58,891,093 <sup>1</sup>	3,227,461	470,586
5/31/2007	4,264,429	3,484,366	1,745,485
6/30/2007	3,982,100	3,383,266	1,193,509
7/31/2007	3,987,110	3,445,174	2,473,347

Based on CRO's review of the August 31, 2007, 1-FR-FCM statement, the COS that were reported in the segregated requirement agree to the sum of COS reported in the segregated assets, therefore, Peregrine corrected the COS error.

2. Trace and agree COS from the securities listing to the equity system.

CRO traced the COS from the securities listing to the bookkeeping system report titled "Stock Record", and noted agreement; both documents were obtained from Peregrine. As of the audit date, all of Peregrine's customer owned securities are held at Prudential with the exception of an immaterial amount of funds on hand. CRO agreed all customer owned securities held at Prudential to the applicable Prudential statement.

During the review of firm documents, CRO noted that the firm's segregated investment at Sentinel was incorrectly reported in box 5190 (Net liquidating equity), the correct location

<sup>1</sup> Peregrine inadvertently reported \$3.9M in COS as CIS in the segregated funds section of the April 30, 2007, Statement of Segregation. As the COS in the segregated requirement included the securities reported as CIS, the error had no effect on the excess segregated funds. As a result, CRO did not request an amended statement at this time. In spite of that, the firm filed an amended statement on September 12, 2007. The April 30, 2007, amended statement did not repeat the aforementioned error and reported the same excess net capital, excess segregated funds, and excess 30.7 secured funds as the original 1-FR-FCM statement.

**REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.  
As of July 31, 2007**

should have been box 5200 (Securities representing investments of customer's funds). This is a classification error and has no effect on excess segregated funds. Sentinel has ceased its business operations and Peregrine no longer has investments at Sentinel. Therefore, reclassification is not required. As of the audit date, the misclassification amount was approximately \$47,000. Per information provided by Lisa Marlow, CRO Audit Supervisor, Peregrine had \$5,052,601 of customer segregated funds at Sentinel as of 8/17/2007; of which, it has received distributions totaling \$3,586,576. Peregrine is still owed \$1,466,025.

*3. Determine that segregated COS are allowable securities pursuant to CFTC Reg. 1.25.*

Per review of the equity system report SP08 and the stock record report, CRO determined that all segregated COS were government securities which are allowable CFTC Regulation 1.25 investments.

*4. Obtain safekeeping and carrying broker statements for segregated and 30.7 secured accounts and ensure the statements are properly titled as customer and covered by satisfactory acknowledgment letters.*

CRO obtained safekeeping and carrying broker statements for all segregated and 30.7 secured accounts and the related acknowledgment letters, and noted the statements were properly titled as customer segregated and covered by satisfactory acknowledgment letters except for the exceptions noted below:

**Exception 1:**

Per review of Peregrine's segregated acknowledgment letter, dated January 21, 2005, related to accounts held at Prudential ("PFDL"), CRO noted the following questionable statement:

"Multiple Accounts – In the even that Broker maintains more than one Omnibus Account with PFDL, PFDL may treat all Omnibus Accounts as the accounts of the Broker and transfer assets among such accounts as PFDL deems advisable for its protection."

As of CRO's audit date Peregrine had one house omnibus account and two customer omnibus accounts at PFDL. Therefore, to prevent potential commingling of customer funds with house funds, CRO requested from Peregrine to obtain a revised segregated acknowledgment letter that does not include the aforementioned statement. Accordingly, Peregrine obtained the requested acknowledgment letter from Prudential on October 10, 2008, and provided it to CRO's audit staff for review. Per review, the letter contains appropriate language and satisfactorily covers the firm's customer segregated accounts. Further, the letter indicates that all funds held in the segregated accounts shall not be subject to any right of offset or lien in Prudential's favor.

**Exception 2:**

The 30.7 secured assets included \$3,987,110 in securities (segregated COS, refer to Audit Objective/Conclusion 1. above) and \$3,144,156 in net liquidating equity that were held in an improperly titled account at Prudential as of July 31, 2007. The 30.7 secured funds were held in

**REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.  
As of July 31, 2007**

account titled "Customer Seg A/C" with a subtitle "Non-Segregated Funds." Further, the firm did not have an acknowledgment letter related to this account.

As previously noted, Peregrine's DSRO is the NFA. As a result, on September 17, 2008, Margaret Gal and Carrie Coffin, CRO auditors, met with NFA's Sharon Pendleton and Lauren Brinati, at the NFA's offices. CRO requested the audit workpapers of Peregrine to review NFA's documentation related to 30.7 account titling and carrying broker acknowledgment letters (segregated and secured). NFA's most recent audit was as of November 30, 2007 (subsequent to CRO's audit date). As of the NFA audit date, the 30.7 secured account at Prudential contained the same account titling issue noted above (titled "Customer Seg A/C", with the subtitle "Non-Segregated Funds"). Per review of the NFA's workpaper title "Segregation", step 4, NFA stated "NFA also obtained all required acknowledgment letters from all of the firm's current depositories. See Acknowledgment /Auth Letters.PDF." Based on CRO's review of the audit workpaper and discussion with the NFA, the carrying broker acknowledgment letters were not obtained during the NFA's current audit. Furthermore, NFA was unable to provide acknowledgment letters for the 30.7 secured and segregated carrying broker accounts and stated that "it does not appear that the Prudential and Fimat acknowledgment letters were mounted as source documents for our audits and maintained as part of the work papers." Further, NFA agreed that the account was not titled as 30.7 secured, however, NFA pointed out that such account was a sub-account of an account titled segregated. Sharon Pendleton has indicated that going forward NFA's current policy is to obtain acknowledgment letters for all current accounts and include them in the audit work papers. The follow-up work related to this will be addressed by the Washington DC office and the Major Review Branch.

In correcting the aforementioned deficiency, Peregrine opened a new 30.7 secured account at Prudential and executed a new 30.7 secured acknowledgment letter. Based on CRO's review of the Prudential carrying broker statement and the related acknowledgement letter, Peregrine holds all of its 30.7 funds in account BED-950353 at Prudential, the account is properly titled as 30.7 secured, and covered by satisfactory acknowledgment letter. A copy of the acknowledgment letter is available in TeamMate within the Peregrine workpapers.

*5. Ensure that customer debit/deficits listing agrees with the bookkeeping system report(s).*

CRO randomly selected three unsecured debit/deficit accounts from Peregrine's debit/deficit listing for testing. These accounts were traced to the commodity bookkeeping system report titled "Outstanding Margin Call". Additionally, CRO randomly selected two secured debit/deficit accounts from the debit/deficit listing and traced these accounts to the "Outstanding Margin Call" report. All accounts that were tested agreed to the "Outstanding Margin Call" report.

*6. Obtain July 31, 2007, segregated and 30.7 secured carrying broker statements and reconciliations and perform the following:*

- 1. Trace the segregated and 30.7 secured carrying broker balance from the reconciliation to the respective statement received from other FCMs and brokers.*
- 2. Foot the segregated and 30.7 secured reconciliation and agree the book balance to the final adjusted trial balance. If different, ensure that adjustments are reported on the segregation and 30.7 secured statements.*

INSERT 5

**REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.**  
**As of July 31, 2007**

CRO obtained the segregated and the 30.7 secured carrying broker statements and reconciliations as of July 31, 2007. The firm had multiple sub-omnibus accounts at Prudential. Further, each sub-account was broken down into ledger balance, open trade equity, option value, and any applicable adjustments. Each of the sub-accounts is reconciled on an individual basis. CRO footed the reconciliations and ensured that the sub-accounts agreed with the carrying broker statements. The segregated carrying broker reconciliation process consisted of approximately 50 pages of detail. The 30.7 secured reconciliation process consisted of approximately 36 pages of detail. In addition, CRO ensured that the adjusted balance was properly reported on the segregation and the 30.7 secured statements.

**Conclusion:**

CRO has determined that the customer owned securities classification error occurred due to a misunderstanding of proper treatment of customer owned securities in the segregated funds section of the segregation statement. Based on subsequent reviews of the firm's financial statements, CRO is satisfied with the classification and no further action is required at this time.

cc: Tom Smith, Deputy Director for Audit and Financial Review  
Ralph White, Associate Director for Major Review Branch

COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

**Insert 6**



The Central Regional Office  
Division of Clearing and Intermediary Oversight  
Audit and Financial Review

**REPORT ON THE LIMITED REVIEW  
OF  
PEREGRINE FINANCIAL GROUP, INC.**

As of December 31, 2008  
190 South LaSalle Street  
7th Floor  
Chicago, Illinois 60603

Prepared by Leslie E. Garcia Date: 7-9-09  
Leslie Garcia, Auditor

Reviewed by Margaret Gal Date: 7/9/09  
Margaret Gal, Supervisory Auditor

Approved by H. Frank Zimmerle Date: 7/9/09  
H. Frank Zimmerle, Branch Chief

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

**Firm Profile:**

**Organization:** Peregrine Financial Group, Inc., (“Peregrine”) was incorporated in the state of Iowa on February 20, 1990. Peregrine has two subsidiaries; Best Direct Securities, LLC (“BDS”), a wholly-owned subsidiary, which is headquartered in Chicago, and which is an introducing broker registered and a NFA member approved, effective July 9, 2008, and a broker/dealer registered with the Securities and Exchange Commission and Financial Industry Regulatory Authority (Self-Regulatory Organization), effective as of June 5, 2008. BDS will execute exchange-traded equity securities, equity and index options, and futures contracts for its customers beginning in 2009. Peregrine will clear the future contracts for BDS customers. The other subsidiary is Peregrine Financial Group Canada, Inc. (“PFGC”); PFGC conducts its operations in Canada and uses a clearing broker to provide trading and clearing services for its clients. Peregrine files consolidated financial statements, which include the accounts of Peregrine and its two aforementioned subsidiaries.

**Registration:** Peregrine is a Futures Commission Merchant (“FCM”) registered and National Futures Association (“NFA”) member approved, effective as of July 15, 1992.

**Nature of Operation:** Peregrine is engaged in the business of soliciting and accepting orders for the purchase and sale of commodity futures contracts, including options, both domestic and foreign. In addition, Peregrine executes cash, spot, and forward foreign currency exchange transactions through the inter-bank market for sophisticated institutions and institutional participates. The main source of revenue for Peregrine is from commissions charged on the sale or purchase of the commodity futures contracts and the markup/down in the price of the foreign currency exchange transactions.

**DSRO:** NFA

**Fiscal Year End:** December 31

**Certified Public Accountants:** Veraja-Snelling & Company

**Contacts:** Russell R. Wasendorf Sr., Chairman and CEO; Susan O’Meara, Director of Compliance, and Brenda Cuypers, CFO

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

**Financial Information as of December 31, 2008:**

Adjusted Net Capital	\$ 27,395,262
Minimum Capital Requirement	10,000,000
Excess Net Capital	17,395,262
Segregated Requirement	217,784,516
Segregated Funds	240,063,708
Excess Segregation Funds	22,279,192
Secured Requirement	20,624,204
Secured Funds	21,324,997
Excess Secured Funds	700,793

**Introduction:**

During a review of Peregrine's monthly 1-FR-FCM reports, the Central Regional Office ("CRO") noted that for the past eight months, Peregrine was reporting a material balance on Line 7.B., "Securities representing investment of customer funds" ("CIS"). As of the CRO's audit date the balance on Line 7.B. represented 75% of the segregated assets, and within the 8-month period it ranged between \$155,222,507 (October 31, 2008) and \$200,240,486 (July 31, 2008). During the same 8-month period Peregrine's excess segregated fund ranged between \$2,397,247 (August 31, 2008) and \$22,279,192 (December 31, 2008). During CRO's prior examination of Peregrine, CRO identified issues with customer acknowledgment letters and titling of customer accounts (see the purpose and scope section of this report for exceptions identified during CRO's July 31, 2007, examination of Peregrine). Consequently, CRO determined audit work was required to ensure that the material investment was segregated in a properly titled account and was covered by a satisfactory acknowledgment letter.

**Purpose and Scope of the Examination:**

The current examination of Peregrine began as a result of a large increase in the investment reported on Line 7.B., CIS of the segregation statement. The CRO inquired with Peregrine personnel to determine the cause of the large increase. Peregrine personnel Russell Wassendorf, and Susan O'Meara, stated the investment was a reverse repurchase transaction with US Bank (formerly known as Firststar Bank). To ensure the reverse repurchase was in compliance with

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

CFTC Regulation 1.25(d) a limited scope review was conducted of Peregrine's reverse repurchase investment.

During the prior CRO's examination of Peregrine as of July 31, 2007, CRO noted the following exceptions:

**Exception 1 (as of July 31, 2007):**

Peregrine had a house omnibus and two customer omnibus accounts with Prudential. Prudential stated in their acknowledgement letter *"if a broker maintains more than one omnibus account, Prudential may treat all omnibus accounts as the accounts of the broker and transfer assets among such accounts as Prudential deems advisable for its protection."* To prevent comingling of customer funds with house funds, CRO requested a revised segregated acknowledgment letter which did not contain the aforementioned statement. Peregrine provided to the CRO a satisfactory revised letter from Prudential.

**Exception 2 (as of July 31, 2007):**

Peregrine's 30.7 assets were held in an improperly titled account at Prudential. The 30.7 secured funds were held in account titled "Customer Seg A/C" with a subtitle "Non-Segregated Funds." Further, the firm did not have an acknowledgment letter related to this account. Peregrine's DSRO (NFA) performed a review of Peregrine as of November 30, 2007, which was subsequent to the CRO's. NFA was unable to provide acknowledgment letters for 30.7 secured and segregated carrying broker accounts. In correcting the aforementioned exception, Peregrine opened a new 30.7 secured account with Prudential and executed a new 30.7 secured acknowledgment letter. The CRO determined the account was properly titled as 30.7 secured and covered by a satisfactory acknowledgment letter. As a result of the CRO examination, Peregrine's DSRO NFA changed their auditing procedures to ensure they would obtain acknowledgment letters for all current accounts and include them in the audit workpapers.

**Audit Objectives/Conclusions:**

- 1. Ascertain that the reverse repurchase transactions are properly reported on the segregation statement (reverse repurchase transactions are reported at the lower of cost plus accrued interest (principle value) or market value plus accrued interest of the underlying collateral.)***

Peregrine provided the CRO with copies of the US Bank repurchase agreement confirmation as of December 31, 2008. The security is a US Treasury Note with a maturity date of February 28, 2011. The customer account number is "000-621011845". The CRO traced the value reported on Line 7.B., CIS of the segregation statement to Peregrine's repurchase agreement confirmation with US Bank. The principal value listed on the repurchase agreement was \$180,677,405.77, which agreed with Line 7.B., CIS of the segregation statement. The market value of the security received was higher than the reverse repurchase principal value. Therefore, Peregrine properly reported the lower principal value on its segregation statement.

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

**2. For all segregated customer invested securities at the bank, verify account(s) are properly titled as customer and are covered by satisfactory acknowledgment letters.**

The CRO reviewed documents sent to our office in support of the reverse repurchase transaction shown on Line 7.B., CIS of the segregation statement. Peregrine sent a master repurchase agreement between Firststar Bank -Cedar Falls, Iowa (currently known as US Bank) and Peregrine. The agreement was dated December 12, 1994 and was titled "CEA Customer Segregated Accounts". The agreement was signed by Clifford D. Mortenson, Vice President of Firststar Bank in Cedar Falls, Iowa and Russell R. Wasendorf, Sr., President of Peregrine Financial Group, Inc.

Peregrine provided a copy of their acknowledgement letter from US Bank dated July 5, 2001, the letter was titled as "CEA Customer Segregated Accounts", which matched the repurchase agreement. The acknowledgment letter stated Peregrine opened safekeeping account number 621011845, which matched the account number on the repurchase agreement confirmation from US Bank to Peregrine. The letter further stated that the funds deposited in the bank account constitute monies belonging to Peregrine's futures and options customers which they are required to segregate from their own funds under the Commodity Exchange Act. The letter also stated that securities and other property deposited in the safekeeping account constitute investment of the funds of Peregrine's futures and options customers and that such property are to be segregated and kept apart from Peregrine's own securities and property. US Bank acknowledged that monies, securities and other property deposited in the accounts are those of Peregrine's futures and options customers and are being held in accordance with the provisions of the "Commodity Exchange Act". In addition, US Bank acknowledged that monies, securities and other property contain in such accounts shall not be subject to any right of offset or lien in US Bank favor for or on account of any indebtedness, obligations or liabilities owing by Peregrine to US Bank.

Peregrine also provided a second acknowledgment letter from US Bank for sweep accounts held at US Bank. The acknowledgment letter was signed by Douglas R. Boe, Senior Vice President Commercial Banking US Bank N.A., and dated August 16, 2007. The acknowledgment letter states: *"Account number 6201011845, for Peregrine Financial Group, Inc., Customer Segregated Funds Account sweeps to Repurchase Agreements on US Treasuries only. Per agreement, "Securities held for Repurchase Agreements consist of United States Treasuries and are identified on each transaction confirmation reflecting the specific security assigned CUSIP number, coupon rate, par amount, daily priced market value and maturity rate. The July 31, confirmation is enclosed."* The July 31, 2007 confirmation enclosed with the acknowledgment letter was the same format as the one used for Peregrine's December 31, 2008 reverse repurchase transaction with US Bank.

The repurchase agreement was properly titled as "CEA Customer Segregated Accounts" and was covered by satisfactory acknowledgment letters.

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

**3. *Recompute applicable haircuts for reverse repurchase agreements (refer to SEC 240.15c3-1) and tie to the December 31, 2008 1-FR-FCM Capital Computation Statement.***

The CRO referred to the 1-FR-FCM Instructions, page 7-5, which states: “*entered the amount of deficiency, if any, between the contract price of the agreement, which includes accrued interest and the market value of the securities subject the reverse-repurchase agreement ....*” The deficiency should be entered on Line 13 of the minimum capital computation.

Peregrine properly did not take a haircut on Line 13 of its net capital computation as of December 31, 2008. The par value of the segregated reverse repurchase security was \$195,450,000, the market price of the segregated reverse repurchase security was \$211,208,156 (based on price obtained from Bloomberg), and the segregated reverse repurchase principal value was \$180,677,405.77. Peregrine reported the reverse repurchase principle value on Line 7.B., CIS of Peregrine's 1-FR-FCM segregation statement.

Peregrine properly reported the lower principal value on their segregation statement. The market value of the security was higher than the reverse repurchase principal, so there was no deficiency and a value did not need to be entered on Line 13 of the minimum capital computation.

**4. *For customer funds invested in reverse repurchase transactions, verify compliance with CFTC Regulation 1.25 and 1-FR-FCM Instructions.***

To verify Peregrine's segregated reverse repurchase transaction compliance with CFTC Regulation 1.25(d) and the 1-FR-FCM Instructions, CRO found the following: The segregated reverse repurchase transaction supporting documents included confirmation, two acknowledgment letters (*for testing refer to Audit Objective/Conclusion 2*), and reverse repurchase agreement with the US Bank. The securities used for the agreement were U.S. Treasury Notes and the value reported on Line 7.B., CIS of the segregation statement was the principal value which was lower than the market value of the security. The settlement date of the segregated reverse repurchase agreement was on December 31, 2008 and the repurchase date was on January 2, 2009

The CRO auditor noted in reviewing the master repurchase agreement and confirmation between US Bank and Peregrine that US Bank retained possession of the securities. The securities are held in a segregated account which is covered by an acknowledgment letter. Based on Margaret Gal's, Supervisory Auditor, discussions with Thelma Diaz, Associate Director, on June 1, 2009, the below section from the 1-FR-FCM Instruction is subject to other guidance which applies if the reverse repurchase collateral is held in a segregated account with the bank counterparty. Also, based on Ms. Gal's discussions with Phyllis Dietz, Associate Director, the reverse repurchase transaction must comply with CFTC Regulation 1.25(d), which superseded Interpretation 2-1, effective December 28, 2000.

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

The I-FR-FCM Instructions, page 4-4, state the following:

*"Securities purchased under a reverse repurchase agreement may be considered current assets, provided the securities are in the possession and control of the FCM, and are outside the control of and are not held by the counterparty to the agreement. When the securities are deposited with an affiliate of the FCM, the securities must be held in a safekeeping account in the FCM's name for the benefit of the FCM in order for them to be considered current assets."*

The CRO obtained additional information from Thelma Diaz on June 2, 2009, which included John Dixon Memo to "File of Responses", dated 2002 ("Memo"). The subject of the Memo is a reverse repurchase transaction with customer funds in which the collateral was held by a counterparty that was not a bank (it was a Broker Dealer), and was not held in a segregated account (the collateral was in a 15c3-3 account). The Memo states the following regarding segregated reverse repurchase transaction, in which the collateral to the reverse repurchase transaction was held at the bank counterparty: *"such collateral must be held outside the control of the counterparty to the reverse repo, unless the counterparty is a bank and holds the collateral in a safekeeping account for the FCM. The safekeeping account holding the collateral must be properly titled and acknowledged as a customer segregated funds account, as required by Commission Regulations 1.20, 1.25(d)(6), and 1.26(a).*

Additional information from the Memo:

*"The Joint Audit Committee's ("JAC") audit program guide, "Guide to Reverse Repurchase and Repurchase Transactions – Counterparty and Depository Issues", states that ... The cash or underlying collateral may be held by a bank counterparty as long as the account is properly titled and an acknowledgment letter is on file from the counterparty/depository."*<sup>1</sup>

*The New York Stock Exchange's Interpretations Handbook says the following with regard to possession and control of collateral by a counterparty to a reverse repo:*

*/01 Reverse Repurchase Agreements Collateral*

*When a broker-dealer enters into reverse repurchase agreement transaction for its own account, the securities subject to the agreement must be in the possession or control of the broker-dealer and outside of the control of the counterparty in order to treat the contract as an allowable asset for net capital purposes. Securities held by the counterparty in a Special Reserve Bank Account to satisfy a reserve requirement under SEA Rule 15c3-3 would be considered acceptable collateral in treating the reverse repurchase contract as an allowable asset. Also see (c)(2)(iv)(E)/09 in this handbook. (SEC Letter to CBOE, August 21, 1981)(No. 92-4, January, 1992)"*

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<sup>1</sup> The revised February, 2009 IAC "Guide to Reverse Repurchase Transaction-Counterparty and Depository Issues, included the same section, as follows: *"The cash or underlying collateral may be held by a bank counterparty as long as the account is properly titled and an acknowledgment letter is on file from the counterparty/depository".*

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

On June 1, 2009, CRO informed Peregrine's Susan O'Meara, during a phone conversation and second time on June 2, 2009 in an email (requested by Ms. O'Meara), that the collateral to the segregated reverse repurchase transaction may be held by a bank counterparty as long as the segregated reverse repurchase transaction complies with the CFTC Regulation 1.25 (superseded Interpretation 2-1, effective December 28, 2000).

CFTC Regulation 1.25(d)(7) in part states:

*"... Substitution of securities is allowed, provided, however, that:*

*(i) The qualifying securities being substituted and original securities are specifically identified by date of substitution, market values substituted, coupon rates, par amounts, maturity dates and CUSIP or ISIN numbers;*

*(ii) Substitution is made on a "delivery versus delivery" basis; and*

*(iii) The market value of the substituted securities is at least equal to that of the original securities.*

Peregrine uses the "Master Repurchase Agreement (Public Securities Association Prototype)", dated 1992.

Interpretation 2-1, footnote 11, (superseded by revisions to CFTC Regulation 1.25, effective December 28, 2000) states the following regarding segregated reverse repurchase securities substitution and segregated reverse repurchase agreement:

*"The Public Securities Association ("PSA") Master Repurchase Agreement could be used so long as the counterparty does not retain custody of the purchased securities and the FCM does not permit the counterparty to substitute securities." Such a right to substitute would lead to commingling of securities with the counterparty's own securities and could subject securities purchased with customer funds to liens granted by the counterparty to third parties, in contravention of Section 4d(2) of the Act. ..."*

The PSA agreement used by Peregrine for the reverse repurchase transaction with US Bank states the following about substitution of the securities.

*"(a) Seller may, subject to agreement with acceptance by Buyer, substitute other Securities for any Purchase Securities. Such substitution shall be made by transfer to Buyer of such other Securities and transfer to Seller of such Purchased Securities. After substitution, the substituted Securities shall be deemed to be Purchased Securities.*

*(b) In Transactions in which the Seller retains custody of Purchased Securities, the parties expressly agree that Buyer shall be deemed, for purposes of subparagraph (a) of the Paragraph, to have agreed to and accepted in this Agreement substitution by Seller of other Securities for Purchased Securities; provided, however, that such other Securities shall have a Market Value*

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

*at least equal to the Market Value of the Purchased Securities for which they are substituted.*  
(Emphasis added)

*Required Disclosure for Transactions in Which the Seller Retains Custody of Purchased Securities<sup>2</sup>*

*Seller is not permitted to substitute other securities for those subject to this Agreement and therefore must keep Buyer's securities segregated at all times, unless in this Agreement Buyer grants Seller the right to substitute other securities. If Buyer grants the right to substitute, this means that Buyer's securities will likely be commingled with Seller's own securities during the trading day. Buyer is advised that, during any trading day that Buyer's securities are commingled with Seller's securities, they (will) (may) be subject to liens granted by Seller to (its clearing bank)\* (third parties)\*\* and may be used by Seller for deliveries on other securities transactions. Whenever the securities are commingled, Seller's ability to resegment substitute securities for Buyer will be subject to Seller's ability to satisfy (the clearing)\*\* (any)\* lien or to obtain substitute securities.*

*\*Language to be used under 17 C.F.R. § 403.4(e) if Seller is a government securities broker or dealer other than a financial institution.*

*\*\*Language to be used under 17 C.F.R. § 403.5(d) if Seller is a financial institution."*

On June 8, 2009, Ms. Gal contacted Phyllis Dietz, Associate Director, to discuss the substitution of the securities to the segregated reverse repurchase transaction. Ms. Gal mentioned Interpretation 2-1, footnote 11 (superseded by revisions to CFTC Regulation 1.25), which disallowed the reverse repurchase counterparty to retain custody and/or to substitute the securities. Furthermore, Ms. Gal informed Ms. Dietz that Peregrine was using Master Repurchase Agreement (Public Securities Association Prototype), dated 1992, and discussed the substitution language included within the Master Repurchase Agreement (see above). Ms. Dietz reiterated that Interpretation 2-1 was superseded by revisions to CFTC Regulation 1.25 (including the substitution language), and under the current CFTC Regulation 1.25 substitution was allowed as long as it complied with the CFTC Regulation 1.25(d)(7).

Based on CRO's review of Peregrine's segregated Master Repurchase Agreement (Public Securities Association Prototype), dated 1992, the confirmation to the segregated reverse repurchase transaction, and the segregated acknowledgment letter, the CRO did not identify area(s) that would contradict compliance with CFTC Regulation 1.25(d) or the 1-FR-FCM Instruction, page 4-4. In addition, based on CRO's review of the aforementioned documents, it

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<sup>2</sup> The disclosure statement is required by Government Securities Act of 1986, Part 450, Sections 403.5(d)(1)(iv) and (v) (*Hold-in-Custody Repo Requirements*), which provide that, where the repo purchaser grants the repo seller a right to substitute repo securities, the repo agreement must include the right of substitution and, immediately preceding the provision containing the right of substitution, the disclosure statement set forth in the regulation.

## REPORT ON THE LIMITED REVIEW OF PEREGRINE FINANCIAL GROUP, INC.

As of December 31, 2008

did not appear that US Bank substituted the securities to the reverse repurchase transaction as of CRO's audit date.

**5. Discuss with cash manager/treasurer regarding firm's investment policies regarding its segregated reverse repurchase transaction. Note if firm's policies vary between intra month and month end.**

Based on CRO's review of RSR history for 12-month period for Line 7.B., CIS and Line 7.A., Cash of the segregation statement, prior to May 31, 2008, Peregrine reported zero for the CIS and large Cash balance. After May 31, 2008, Cash decreased while CIS increased.

Peregrine's CFO Brenda Cuypers confirmed to the CFTC that as required by Peregrine's DSRO the NFA, the firm change its method of reporting its customer segregated funds. Prior to May 31, 2008, Peregrine incorrectly recorded the segregated reverse repurchase transaction on the segregation statement as Cash instead of CIS. Peregrine corrected the reporting error on its May 31, 2008, 1-FR-FCM segregation statement. As the correction of the error was a reclass within segregated assets, and had no effect on the excess segregated funds, Peregrine was not required to amend any of its monthly 1-FR-FCM financial statements that were impacted by the reclass.

The investment strategy as it relates to Peregrine's reverse repurchase transaction does not materially vary between intra-month and month-end.

**Conclusion:**

CRO reviewed Peregrine's segregated Master Repurchase Agreement (Public Securities Association Prototype), dated 1992, the confirmation to the segregated reverse repurchase transaction, and the segregated acknowledgment letters, and did not identify area(s) that would contradict compliance with CFTC Regulation 1.25(d) or the 1-FR-FCM Instruction, page 4-4.

CRO utilized Peregrine's December 31, 2008 Certified Statement for the "Firm Profile" section of this report and noted that the firm consolidates with two subsidiaries; however, the "1-FR Cover Page" Line 5, "Name(s) of consolidated subsidiaries and affiliated companies" did not list the two aforementioned subsidiaries. The CRO informed Peregrine to include the consolidated subsidiaries on Line 5 of the 1-FR-FCM Cover Page and requested to provide 30-day opinion from the counsel as required by CFTC Regulation 1.17(f). Per Peregrine's Brenda Cuypers, *"Peregrine will start to include the consolidated entities for monthly submissions. Peregrine does not benefit from the consolidation. All benefits have been eliminated."* CRO will monitor Peregrine's monthly financial reports to ensure this deficiency is corrected and compliance with CFTC Regulation 1.17(f) is maintained. Moreover, CRO will continue to monitor segregated investments during its monthly reviews of Peregrine's 1-FR-FCM segregation statements.

cc: Tom Smith, Deputy Director for Audit and Financial Review

COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

**Insert 7**


**COMMODITY FUTURES TRADING COMMISSION**

525 W. Monroe St Suite 1100  
Chicago, IL 60661  
Telephone: (312) 596-0700

Division of Clearing and  
Intermediary Oversight,  
Chicago Regional Office

**MEMORANDUM**

**TO:** Thomas J. Smith, Deputy Director for Audit and Financial Review

**THRU:** Melissa B. Hendrickson, Branch Chief

**FROM:** Lisa M. Marlow, Supervisory Auditor  
Kathy A. Thompson, Auditor

**DATE:** April 28, 2011

**SUBJECT:** Anti-Money Laundering Operational Reviews

On November 8<sup>th</sup> and 9<sup>th</sup>, 2010, CFTC's Audit and Financial Review Supervisory Auditor, Lisa Marlow, and Auditor, Kathy Thompson, performed an Anti-Money Laundering ("AML") operational review of Peregrine Financial Group, Inc. ("PFG") and Global Futures and Forex, Ltd. ("GFF"), respectively. DCIO Attorney-Advisor, Peter Kals, was also in attendance. The purpose of the review was to 'walk-through' each firm's implementation of procedures and day-to-day operations as related to the AML Program's compliance with the Bank Secrecy Act ("BSA") - 31 CFR 103 and CFTC Regulation 42.2.

The USA PATRIOT Act amended the BSA to require financial institutions to establish AML Programs. Futures Commission Merchants ("FCMs") and Introducing Brokers ("IBs") are specifically included in the definition of financial institution.

**Procedures for Monitoring BSA Compliance:**

***The financial institution shall have a written, board approved (or statutory equivalent) program that is reasonably designed to assure and monitor compliance with the recordkeeping and reporting requirements of the BSA. The program must, at a minimum:***

1. *Provide for a system of internal controls to assure ongoing compliance;*
2. *Provide for independent testing for compliance;*
3. *Designate an individual responsible for coordinating and monitoring day-to-day compliance; and*

4. Provide training for appropriate personnel.

*In addition, the implementing regulation for Section 326 of the PATRIOT Act requires that every financial institution adopt a customer identification program ("CIP") as part of its BSA/AML Compliance Program.*

### **Peregrine Financial Group, Inc.**

CFTC reviewed each area of PFG's AML operations per the procedures for monitoring BSA/AML Compliance.

***The PATRIOT Act amended the BSA to require financial institutions to establish AML Programs. The most recent AML compliance program should be in writing and approved by board of directors or senior management including CIP requirements.***

CFTC met with PFG's Director of Compliance, Susan O'Meara, who also serves as the firm's AML Compliance Officer. While the BSA requires that the financial institution's AML Program be in writing, it also requires that the program be approved by senior management. CFTC Auditors requested PFG's most recently approved AML program. In response, Ms. O'Meara provided PFG's Version 10.01 Compliance and Procedures Manual which contains its Anti-Money Laundering procedures. (EXHIBIT A).

PFG's compliance manual did not have any documentation to validate Board approval of the AML Program. Further, Ms. O'Meara stated that she was not aware of the requirement, recommendation or best practice that the firm's most updated AML Program should be approved by the board of directors or senior management. O'Meara indicated that she will ensure that the Board approves the AML Program. The CFTC will ensure that this item was resolved in a future review of the firm. (See also Section 3 below 'Designated Compliance Officer')

**Customer Identification Program ("CIP") Requirements (31 CFR 103.123)**  
**Section 326 of the PATRIOT Act requires that every financial institution adopt a customer identification program as part of its AML compliance program.**

The minimum information required to be obtained from customers as part of a CIP are:

- Name;
- Date of birth for individuals;
- Address (a residential or business street address for individuals, and principal place of business, local office or other physical location for a person other than an individual); and
- Identification number (for US customers - tax identification number ("TIN"), and for non-US customers - 1) a tax payer identification number, 2) a passport number with country of issuance, 3) an alien identification card number OR 4) other unexpired government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard)

The CIP is intended to enable the institution to form a reasonable belief that it knows the true identity of each customer. It must also include reasonable and practical risk-based procedures

for verifying the identity of each customer. The CIP rule requires implementation of a written CIP that is appropriate for the financial institution's size, location, type of business and unique risk elements. The institution should include a risk assessment of its:

- Size;
- Location;
- Customer base;
- Product offerings;
- Types of accounts offered;
- Types of products and services used by customer in various geographical locations;
- Methods of opening accounts; and
- Types of identifying information available.

CFTC requested to review the firm's risk parameters or an assessment of the risk factors listed above used to determine PFG's CIP program. CFTC also requested PFG's CIP results of three recently opened (September 2010) customer accounts with varying ownership and citizenship status.

Ms. O'Meara indicated that the firm's procedures have been implemented for customers from high risk jurisdictions and customers engaged in high risk business (Note: The firm does not consider engagement in forex activities as high risk). Noting PFG's profile (see below), it appears that PFG has not implemented risk-based procedures per a risk assessment of its business nor does the CIP program consider the firm's size, location, type of business or unique risk elements.

#### **PFG Profile**

PFG is a non-clearing futures commission merchant with customers, affiliates and brokerage offices in more than 80 countries. Its main office is in Chicago. PFG's products include futures, options and forex. The customer base of PFG consists of 12,000 to 15,000 individual retail clients and institutional clients including multinational corporations, asset managers, hedge funds and broker-dealers who are substantially non-US and predominately deal in forex. Most customers are introduced to PFG by its independent and guaranteed (about 120) introducing brokers ("IBs"). All of these IBs "rely" on PFG to fulfill their customer identification responsibilities pursuant to 31 CFR 103.123(b)(6). The firm opens new accounts online via its website, in office and via hardcopy. Most accounts are opened through the firm's website with the exception of its corporate accounts which are required to be opened via hardcopy. PFG opens an average of 500-900 new accounts per month. All are reviewed individually by Jennifer Elwood, New Accounts Manager.

For all prospective individual customers, the firm requires the following information: name and address; date of birth and tax identification number ("TIN"); investment experience and objective; net worth, liquid net worth and annual income; citizenship status; and occupation, employer, employer's address and nature of customer's employment/business. Non-U.S. individual customers are also required to submit a copy of a valid passport or other acceptable government-issued identification. However, PFG does not require an unexpired government-issued identification such as a driver's license or state issued identification for prospective U.S. customers.

Similar to the requirement distinction between U.S. and non-U.S. individual customers, PFG requires that non-U.S. companies, trusts, partnerships, or other legal entities submit documentary evidence of a valid photo identification of the principal(s) completing the account information but there is no such requirement for U.S. non-individual customer accounts.

Although, 31 CFR 103.123 does permit an FCM/IB to identify a customer using only "non-documentary methods," as opposed to reviewing a government-issued identification card, it is noted in the financial industry as a universal best practice to require the specified documentation. The additional documentation requirement is a recommendation noted in PFG's most recent independent audit. (See the 'independent testing' Section 2 below for further information). Despite the risk mitigating factors, PFG determined that the firm would not implement the requirement for unexpired government-issued ID for prospective U.S. customers into its CIP program. Per Ms. O'Meara, it is sufficient that PFG adhere to the minimum requirements established for a CIP program, i.e. Name, Date of Birth, Address and ID number.

In review of PFG's risk factors, additional forms of identification for domestic customers would be an added measure to reduce the risks of money laundering. Hence, it appears that PFG has not implemented an appropriate CIP per the firm's unique risk factors.

As previously stated, PFG opens most accounts through its website. The firm utilizes a third party vendor, Equifax Compliance Data Center ("CDC"), to verify all identifying information of its prospective customers. Customer identification information is kept in an electronic database, and only the AML officer, new accounts manager and other designated PFG employees with specified clearance have access to review and send information from that database to CDC.

For individual customers, CDC runs the information through their database and checks to see whether prospective customers appear on OFAC's *Specially Designated Nationals* ("SDN") list, whether the individual has disciplinary actions with the CFTC, NFA, SEC or FINRA, and whether the date of birth matches the social security number. For non-U.S. prospective customers, CDC verifies the passport of those individuals. For customers that are legal entities (such as companies, partnerships, trusts, and others), CDC verifies formation documents and other identifying information. For non-U.S. entities, CDC also performs the individual customer identification procedures on the person(s) who completes the account application and those who have trading authority.

In addition to the verification services stated above that CDC provides, there is a consensus among CFTC, NFA, and FINRA regulators (per the CFTC DCIO attended AML training held at NFA, August 2010), that a firm opening an account on-line should verify the identity of the prospective customer by checking the name against other financial accounts held by that individual to mitigate the risks of money laundering. PFG does not (and does not contract a third party to) perform this verification as it is the firm's stance that current regulations do not require this additional procedure.

As PFG contracts CDC for its identification and the continuous monitoring thereof (i.e. review of OFAC lists, regulatory disciplinary actions, and updates to existing information), it is deemed that PFG has too much dependence on CDC. The overreliance on CDC to verify customer identification is another recommendation noted in PFG's independent audit. (See the 'independent audit' Section 2 below). PFG determined that the firm is within regulatory compliance; and thus, no immediate changes will be made.

The independent audit also noted that PFG should consider using online services that provide documentary evidence of CDC's verifications, decreasing the risks of misinformation. PFG's new accounts manager receives notification of the results from CDC's queries via telephone. The new accounts manager, Jennifer Elmwood, writes a note in the customer's file denoting the status of the customer identification verification. Per review of the three recently opened accounts that the CFTC selected, the CFTC noted on the new account checklist a line for "CDC check" with the PFG employee's initials or name and date of check. There is no detail noted as to what checks were performed or the ranking of certain aspects of the customer's identification. When CFTC questioned Ms. O'Meara, she responded that there were increased expenses associated with the use of online services which PFG has decided not to undertake at this time. Further, Ms O'Meara explained that verbal confirmation was sufficient to uphold the firm's compliance with its AML program.

**1) *The AML Program should provide for a system of internal controls to assure ongoing compliance.***

Ms. O'Meara stated that she checks PFG's customers against FinCEN's 314(a) lists every two weeks. The CFTC requested documentary evidence that the checks were conducted and received two forwarded emails of the 9/7/10 and 9/21/10 requests with the response "no matches". (See Section 3 below 'designated AML Officer').

The firm relies on CDC for ongoing monitoring of customers against OFAC sanctioned programs listings. The firm's procedures say it will check its customer's list against the OFAC SDN lists every year; however, it is best practices that a review take place a minimum of every 30 days. Ms. O'Meara confirmed that PFG's AML procedures relating to the review period monitoring OFAC SDN lists should be revised as the monitoring of customers against OFAC is a continual process.

**Suspicious Activity (31 CFR 103.17)**

PFG's accounting and risk management departments monitor all accounts for suspicious activity. The departments' monitoring activities include 'manual' review of: the location of brokers; where and from whom deposits originate; the amounts of the funds deposited and withdrawn; and the destination of withdrawals. Upon review of the destination of withdrawals, one of the risk measures the firm takes is that PFG does not distribute funds to third parties. Withdrawals are only sent to the account owner.

The firm has rarely seen examples of the “red flags” described in its AML program. This may be a direct result that the firm’s monitoring operations are manual, and automated systems for monitoring unusual or suspicious activity are not utilized to assure ongoing compliance. The most common type of suspicious activity noted by PFG has been funds sitting in an account for a significant period of time with no trading activity. Adding an automated account monitoring system can cover multiple types of transactions (deposits, withdrawals, funds transfers, etc) and use various rules to identify potentially suspicious activity; whereas, manual systems can only filter one rule.

Since FinCEN’s SAR reporting rule for FCMs and IBs took effect for transactions occurring after May 18, 2004, PFG has never filed a SAR. By the mere size of PFG, the nature of its business and its customer base, it is expected that the firm would have SAR filings, which strongly suggests that PFG may be indolent in monitoring its accounts for suspicious activity and operating a system of internal controls. Further, PFG has over 12,000 customers from private account individuals to asset managers to multinational conglomerate corporations in more than 80 countries whose predominate business is forex. The firm’s business and customer base substantiates an abundance of unique risk elements. Thus, manual processes currently in place do not appear to be appropriate as the sole system of internal controls to assure ongoing compliance in the implementation of PFG’s AML program.

**2) *The AML Program should provide for independent testing for compliance.***

PFG’s independent audits are performed annually by a third party vendor, EA Compliance, Inc., that specializes in AML compliance. EA Compliance audited the firm on Nov 1, 2010 but a report had not been issued as of the CFTC’s visit. The vendor’s 2009 audit revealed no deficiencies but yielded two recommendations. **(EXHIBIT B)** The two recommendations were: 1) PFG should require that all domestic account owners provide an unexpired government-issued identification and 2) PFG should implement CDC’s online application to mitigate risks given PFG’s customer base and money-laundering risk. In its suggestions for strengthening PFG’s AML program, EA Compliance also stated that the benefits of an online program outweighed the disadvantages. In addition to PFG’s independent auditor’s recommendations, AFR staff notes that several financial regulatory authorities have recommended utilization of a vendor to automate red flag detection.

PFG considered the independent auditor’s recommendations but, to date, has not made any changes. (The report was completed November 2009). Ms. O’Meara stated that EA Compliance found no deficiencies in need of follow-up, and that PFG was in compliance with NFA Compliance Rule 2-9(c) and Section 352 of the USA PATRIOT Act regarding the requirement for AML programs. She also stated that PFG does not agree that the requirement of an unexpired government-issued ID for U.S. citizen applicants would reduce the firm’s risk of money-laundering. PFG’s position on the utilization of an online system is that it was difficult to integrate CDC’s system with PFG’s and the costs outweigh the benefits. Hence, PFG has not implemented any of its independent auditor’s recommendations.

Independent testing is a designated part of the AML program which is intended to be employed to reduce the firm's risks of money-laundering. Although PFG is not required to amend its operations to the recommendations of the independent auditor, it is a requirement that the firm implement a quality risk-based program which would include utilizing the results of its independent testing, industry best practices and regulatory agency recommendations.

**3) *The AML Program should designate an individual responsible for coordinating and monitoring day-to-day compliance (i.e. a designated AML Officer).***

The AML Officer must possess the skills, qualifications, and expertise to effectively perform the day-to-day AML compliance duties. As previously stated, PFG's Director of Compliance, Susan O'Meara also serves as the firm's AML Compliance Officer. While Ms. O'Meara has served in a regulatory function for over 10 years, she has had no specialized regulatory training in anti-money laundering. Ms. O'Meara's only AML training has been the completion of the AML online course which PFG requires of all appropriate personnel. As such, Ms. O'Meara was unaware of several aspects of the BSA/AML requirements and best practices. She was unfamiliar with FinCEN's SAR confidentiality rule and unaware of the Board approval requirement of the AML program. Further, Ms. O'Meara has not sufficiently monitored implementation of risk-based AML procedures, detailed above, i.e. CIP customer identification verification (enhanced identification requirements), internal controls systems and monitoring accounts for suspicious activity (adding automated monitoring for red flags) and independent testing (implementing recommendations). Thus, it appears that Ms. O'Meara has not sufficiently fulfilled the AML Officer responsibilities.

**4) *The AML Program should provide training for appropriate personnel.***

PFG requires appropriate personnel to complete annual AML training. The training is an online course provided by Exchange Analytics, Inc., a leading supplier of futures training programs and an affiliate of EA Compliance that conducted the independent review of PFG. PFG successfully ensured that the course was completed by all necessary personnel. In reference to the AML Officer's training, Ms. O'Meara's completion of the firm's annual AML training is not explicitly documented in the EA Compliance audit report; however, the CFTC obtained copies of O'Meara's completion certificates. Notwithstanding this training, it appears that Ms. O'Meara is deficient in knowledge and ability to perform specified duties (see the internal controls section #3 above). Therefore, PFG should provide Ms. O'Meara with specialized AML training.

### **Global Futures and Forex, Ltd.**

CFTC reviewed each area of GFF's AML operations per the procedures for monitoring BSA/AML Compliance.

***The PATRIOT Act amended the BSA to require financial institutions to establish AML Programs. The most recent AML compliance program should be in writing and approved by board of directors or senior management including CIP requirements.***

CFTC met with GFF's Vice President of Compliance, Lu Anne Bleiler, who also serves as the firm's AML Officer. Ms. Bleiler provided CFTC with a Board approved written copy of GFF's AML Program which included CIP requirements. (EXHIBIT C)

CFTC Auditors reviewed GFF's AML program and found that it appeared to be in compliance with the PATRIOT Act's BSA/AML requirements including the Customer identification Program requirements listed below:

**Customer Identification Program ("CIP") Requirements (31 CFR 103.123)**  
**Section 326 of the PATRIOT Act requires that every the financial institution adopt a customer identification program as part of its BSA/AML compliance program.**

The minimum information required to be obtained from customers as part of a CIP are:

- Name;
- Date of birth for individuals;
- Address (a residential or business street address for individuals, and principal place of business, local office or other physical location for a person other than an individual); and
- Identification number (for US customers - tax identification number ("TIN"), and for non-US customers - 1) a tax payer identification number, 2) a passport number with country of issuance, 3) an alien identification card number OR 4) other unexpired government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard)

The CIP is intended to enable the institution to form a reasonable belief that it knows the true identity of each customer. It must also include reasonable and practical risk-based procedures for verifying the identity of each customer. The CIP rule requires implementation of a written CIP that is appropriate for the financial institution's size, location, type of business and unique risk elements. The institution should include a risk assessment of its:

- Size;
- Location;
- Customer base;
- Product offerings;
- Types of accounts offered;
- Types of products and services used by customer in various geographical locations;
- Methods of opening accounts; and
- Types of identifying information available.

CFTC requested to review GFF's risk parameters or an assessment of the risk factors listed above used to determine GFF's CIP program. CFTC also requested GFF's CIP results of three recently opened (September 2010) customer accounts with varying ownership and citizenship status.

Ms. Bleiler and designated client services and risk management staff (Tom Norris and Stephanie Bromm) presented an in-depth demonstration of GFF's implementation of its CIP program per its risk assessment of the firm's profile. With review of GFF's profile (see below), it appears that GFF has properly implemented risk-based procedures per a risk

assessment of its business which considers the firm's size, location, type of business and other unique risk elements.

#### **GFF Profile**

GFF is a registered Futures Commission Merchant ("FCM") and Forex Dealer Member that does business as Global Forex Trading and is registered with regulating agencies in several countries that include the U.S., Japan, Australia, Singapore, Dubai and the United Kingdom. The firm's business is off-exchange foreign currency trading (Forex) with retail customers (and a very limited number of institutional customers) across the world in more than 120 countries. GFF's main office is located in the U.S. in Ada, Michigan. It has branch offices and affiliates in Australia (Sydney), Singapore, London ('UK'), Japan (Tokyo), Dubai and New York. The firm's product base includes more than 120 currency pairs. GFF has more than 67,000 open accounts, with over 90% of those held by foreign account holders. Of the total number of accounts, only 15,000 are active. Approximately 1100 accounts are opened per month. Most accounts are closed within one year due to the client's inability to profit.

GFF's CIP operations are headquartered in Ada, Michigan. All customer accounts are opened online via GFF's website except for the accounts opened in the Tokyo office. The Tokyo office is the only office that opens accounts via hardcopy and requires handwritten signatures. However, proof of funds and the source of initial funding is verified and documented by the main office. The Singapore and Australian branch offices initiate some aspects of CIP for its customers but ultimate processing of the CIP is the responsibility of GFF's headquarters.

GFF will verify the identity of customers using various online third party credit reporting agencies. Specifically, GFF uses Experian's Fraud Shield<sup>SM</sup> and Money Laundering Protection services to verify customer identification and check prospective customers against the OFAC list. Experian is a global leader in consumer and business credit reporting and marketing services. This vendor cross checks social security number, date of birth, address, driver's license and phone numbers identifying inconsistencies between application information and credit report data. If there is an OFAC match per Experian, GFF will also conduct a manual check. As GFF is only able to verify about 80% of accounts through Experian, GFF will use other credit reporting databases as alternative verification methods to process accounts. Specifically, for Australian customers, GFF uses Veda Advantage ("Veda"), an electronic customer identity verification service. Veda's Identity Verification Suite dissects customer information against several databases available in Australia. In addition, GFF uses GB Group, a leading Global Identity Management business. GB's URU<sup>TM</sup> product verifies the identity of individuals residing in the UK. GB's ID3 Check matches personal identity information against reference data for over 800 million individuals across more than 26 countries.

GFF requires that all customers, both U.S. and non-U.S., submit unexpired government-issued identification cards. The firm verifies the authenticity of non-U.S. passports through Passport-Check. For prospective customers that are legal entities (corporations, partnerships and LLCs), GFF will identify the person(s) with trading authority *and* any other persons with direct or indirect ownership interest of 25% or

greater in the entity. In addition, GFF determines whether entities that are funds or commodity pools are properly registered or authorized to conduct investment activity on a customer's behalf.

Per CFTC's request of the CIP results of a sample of accounts, GFF provided a demonstration of its automated database featuring electronic versions of all documents provided by prospective customers including GFF's response of acceptance or denial of the account opening (GFF uses a designation of won or loss). Depending on the customer's profile, the system requires specific documentation. Each stage of the approval process is electronically documented. GFF requests documents directly and includes an additional requirement for Australian and New Zealand based individuals that submitted documents be certified. A certified copy means a document certified as a true copy of the original by a judge of a court, a magistrate, a chief executive officer of a federal or national court, a registrar or deputy registrar of a court, a notary public, a police officer, etc. In the demonstration provided, the CFTC noted additional documents used to verify address and sources of funding, such as utility bills and bank statements. All stages of account identification are verified and approved with two GFF signatures from the 'Account Liaison Group'. The automated system is secured by 'I-VAULT', a locked down system with limited access for editing by high level authorized personnel only.

GFF identifies prospective persons and entities well within regulatory requirements for CIPs. The firm reviews several databases in conjunction with identifying customers and follows enhanced procedures for prospective clients categorized as high risk per GFF's risk assessments. Hence, it appears that in review of GFF's risk factors, the firm has implemented an appropriate CIP per its unique risk factors.

**1) *The AML Program should provide for a system of internal controls to assure ongoing compliance.***

As part of its AML program, GFF has an automated system which checks the firm's customers against FinCEN's 314(a) lists on a continuous basis. GFF produced documentary evidence of the checks via the electronic database.

The firm relies on its third party vendors for ongoing monitoring of customers against OFAC sanctioned programs listings. In addition, GFF produced evidence of the firm's check of its customer's list against the OFAC SDN lists within the last 30 days of CFTC's visit. The firm's system is flagged to run the check every 30 days.

The basis of much of GFF's internal controls system is directly related to the customers' account risk profile. As referenced above with the CIP process, GFF's system is automated to categorize new customer accounts into risk categories. Per GFF's high risk report and as noted by GFF's statements to the CFTC, risk is assessed on an account by account basis with accounts placed into risk categories depending on the account profile, demographics and trading patterns. The risk group which reflects the customers' profile and which will most efficiently handle a customer's trading pattern is selected. Customer risk profiles allow risk management to monitor for suspicious

activity as well as enhance GFF dealers' abilities to efficiently execute and manage customers' trades. Accounts are moved in and out of different risks groups and trading limits are reset as trading styles change. Analysis of trading activity allows GFF to proficiently monitor for money laundering while efficiently managing the firm's risk capital. Positions are monitored by trading desk management in real time and the available risk capital is monitored on a daily basis to ensure breaches of trading limits do not occur and that evidence of unusual trading and suspicious activity is detected promptly and reported to management.

### **Suspicious Activity (31 CFR 103.17)**

GFF has implemented an internal controls system to strengthen and assure ongoing compliance of its AML program. Some of the major elements are listed below:

- *Risk factors are reviewed and re-categorized if necessary on an ongoing basis.*
- *A 'Special Watch Group' is designated to review all high risk group accounts for fraud and money laundering.*
- *'Incident reports' are issued if any aspect of the new account opening process fails.*
- *Suspect or questionable accounts are reviewed on a weekly basis.*
- *Any new account with an initial deposit of \$50,000 or more is reviewed by the Special Watch Group.*
- *When \$5,000 or more is deposited or withdrawn after account opening and all high risk corporate accounts are reviewed. High risk individual accounts are spot-checked.*
- *On a weekly basis, GFF's automated system flags all accounts with a deposit or withdrawal of \$15,000 or more for special review, regardless of risk profile.*
- *GFF requires proof of funding and substantiates the source of initial funding for all clients.*
- *Any changes to the customers' initial profile (i.e. address, employment...) receive special review.*
- *The system is flagged to capture weekly withdrawals of the same amounts.*
- *There is a phone check of the firm's associated persons ("APs") to monitor for APs not reporting suspicious activity. (Dealers monitor high risk group 'aged' accounts).*
- *GFF performs and produces over 20 major internal audits and reports annually as a direct response to AML monitoring.*

Utilizing automated systems supplemented by enhanced manual review to monitor unusual or suspicious activity, GFF routinely sees examples of the "red flags" described in its AML program. (The firm is in the process of purchasing an automated/flagged system that provides daily input of all accounts). As such, on a weekly basis, the firm typically has cause and subsequently files Suspicious Activity Reports ("SARs") or performs follow-up procedures regarding suspicious activity by requesting information regarding a customer's account (in compliance with FinCEN's SAR confidentiality rule). The majority of the firm's SARs are in response to customer withdrawal and/or deposit of funds with minimum or no trading activity, i.e. floating of funds.

In review of GFF's AML program operations related to the monitoring and review of customer accounts, the firm appears to operate a compliant system of internal controls to assure ongoing compliance with its AML program and the PATRIOT Act as it pertains to AML.

**2) *The AML Program should provide for independent testing for compliance.***

GFF's AML program provides for independent testing by employment of a third party vendor, UHY Advisors, MI, Inc. ("UHY"). Testing is provided on an annual basis with the most recently audit performed on December 22, 2009. (EXHIBIT D) The vendor's procedures include a review of GFF's AML operations per testing a sample of accounts and a review of GFF's policies and procedures in ten areas of AML with a detailed analysis of each area tested.

No deficiencies were detected in the most recent examination; however, one value added comment was provided. The independent auditor acknowledged that GFF is 'impressive in its implementation of continual improvements in the area of AML policies and business operations'. Resulting from the 2009 independent testing, UHY recommended that GFF "Review processes and/or systems to ensure that these documents are not in conflict with the FCM manual and the designated AML policies". GFF documented follow-up and implementation of UHY's recommendation. Within a 90 day time span of the final audit report, each manager involved in an area affected by money-laundering responded with acknowledgement and signoffs upon implementation of the proper revisions.

Independent testing is a designated part of the AML program which is intended to be employed to reduce the firm's risks of money-laundering. It is a requirement that the firm implement a quality risk-based program which would include utilizing the results of its independent testing, industry best practices and regulatory agency recommendations. It appears that GFF has performed this task.

**3) *The AML Program should designate an individual responsible for coordinating and monitoring day-to-day compliance (i.e. a designated AML Officer).***

GFF's Vice President of Compliance, LuAnne Bleiler, also serves as the firm's designated AML Officer. Ms. Bleiler is responsible for coordinating and monitoring day-to-day compliance of the AML program. She has served in a regulatory function as GFF's Compliance Officer for over 10 years and has taken specialized regulatory training in anti-money laundering. Ms. Bleiler also attends seminars and conferences in the area of AML on an annual basis.

From the CFTC's inquiries and review of GFF's operations and its compliance with BSA/AML regulatory requirements, it appears that Ms. Bleiler is knowledgeable and

competent as the firm's designated AML Officer and has been diligent in ensuring that the firm's AML program is complaint.

**4) *The AML Program should provide training for appropriate personnel.***

GFF requires that appropriate personnel complete annual AML training and provide documented certification of completion. The training is an online course provided by Exchange Analytics, Inc., a leading supplier of futures industry training programs. GFF successfully ensured that the course was completed by all necessary personnel.

**Conclusion:**

CFTC's AML walk-through of two registrants was too limited to reveal an industry trend for compliance with BSA/AML requirements. As noted above, the two registrants reviewed handled compliance with the requirements differently. Specifically, CFTC noted the following observations:

- Accounts may be verified using documentary methods, non-documentary methods or a combination of both. The CIP rule gives examples of the types of documents that are considered primary sources of identification and reflects the CFTC's expectation that FCMs and IBs will obtain government-issued identification for most customers. Further, CFTC issued guidance that encourages FCMs and IBs to obtain multiple forms of documentary identification evidence. While both registrants reviewed are in compliance, each is at opposite ends of the spectrum in verifying the identity of its customers – PFG utilizes non-documentary methods only for US based customers; whereas, GFF aggressively manages its CIP utilizing multiple documentary and non-documentary methods. It is the Commission's stance that documentary evidence should be utilized when possible; and, will continue to encourage such through its audits. Staff will draft a reminder regarding use of documentary evidence for both domestic and non-domestic customers for inclusion in the next "Dear FCM" letter.
- Third party vendors are acceptable resources to utilize in the customer identification process; however, it is solely the firm's responsibility to ensure that a customer has been properly identified. While each of the firms reviewed employs a third party vendor as a resource to comply with the CIP, the firms vary widely to the degree on which the vendor's services are relied upon. PFG relies heavily upon one vendor; whereas, GFF utilizes a number of vendors and self-checks to verify a customer's identity. Best practices have recognized that it is beneficial to utilize a variety of sources and verifications to ensure the true identity of a customer.

COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

**Insert 8**

### 30.0 Anti-Money Laundering (“AML”)

#### 30.1. Overview

Money laundering, generally speaking, refers to financial transactions using income derived from criminal activity, including but not limited to, drug trafficking, fraud, illegal gambling and terrorism. Under a variety of laws and regulations applicable to FCMs, PFG has certain obligations to detect and report activities that might constitute, be indicative or raise suspicions of money laundering. Therefore, it is imperative that all PFG’s APs and employees be familiar, and comply, with the policies and procedures set forth herein.

PFG is committed to full compliance with all applicable laws and regulations regarding money laundering. Every officer, director, employee and AP of PFG is responsible for assisting in PFG’s efforts to detect, deter and prevent money laundering and other activities intended to facilitate the funding of terrorist or criminal activities. Towards this end, it is PFG’s policy to screen all prospective customers before any account is established and to monitor transactions in customer accounts on an ongoing basis. PFG requires every officer, director, employee and AP, *whether based inside or outside of the U.S.*, to understand and adhere to the anti-money laundering policies and procedures set forth herein, and to comply with laws regarding the reporting of suspicious transactions and the anti-money laundering investigation procedures and reporting requirements of U.S. federal agencies. To coordinate PFG’s efforts and to serve as a resource to all employees and APs, PFG has designated an anti-money laundering compliance officer (the “AML Officer”) responsible for monitoring PFG’s compliance with all applicable anti-money laundering laws.

Each employee and AP has the obligation to report to the Director of Compliance any knowledge or suspicion, or any information giving rise to any knowledge or suspicion, that a customer or a party conducting a transaction with or through PFG (i) is involved in any money laundering or other suspicious activities, (ii) is structuring a payment(s)/deposit(s) to avoid the reporting requirements contained herein, or (iii) is a person or entity on the U.S. Office of Foreign Asset Control (“OFAC”) Specially Designated Nationals List (as found on <http://www.treas.gov/ofac/>).

#### 30.2. PFG and its Customers

##### 1. Know Your Customer Policy

In order to detect, deter and prevent money laundering and other suspicious activities, it is imperative that PFG “know” all of its customers—both institutional and individual. To achieve sufficient knowledge about each customer, PFG will undertake the steps set forth below to obtain and maintain detailed customer information. This process begins at the initial contact between the customer and PFG and continues during the course of the business relationship with the customer. All employees and APs of PFG are required to comply with the “know

your customer” policies and procedures set forth below and to otherwise safeguard against money laundering activities in the performance of their everyday duties.

The AP responsible for a particular customer account shall have primary, but not exclusive, responsibility for knowing the customer, its background and investment objectives. The AP shall (i) conduct appropriate ongoing due diligence to know and adequately document the identity of each prospective customer, the nature of the customer’s business (employment) and the source of the customer’s assets, before opening an account for the customer, (ii) keep proper records of such due diligence and the customer’s transactions, (iii) report any suspicious activities as required by these policies and applicable law, and (iv) participate in PFG- sponsored educational courses and training.

## **2. Obtaining Customer Information-Customer Identification Program (“CIP”)**

All prospective customers of PFG will be required to provide basic information prior to the opening of any account by completing, in its entirety, PFG’s new account documentation and submitting any required supporting documents. This requirement applies to all beneficial owners of the account in question. Under no circumstances will a customer be allowed to begin any trading activity without the receipt and review of the new account forms and any required supporting documentation. Additional due diligence may be warranted depending on the specific circumstances, including the type of customer, the customer’s home jurisdiction, and how well PFGBEST already knows the customer or account applicant. Additional due diligence may include, for example, taking steps to ensure that the customer, or the source of the funds, is legitimate. When a prospective customer fails to provide any of the information required below, or when PFG cannot form a reasonable belief that it knows the true identity of the customer, PFGBEST will deny the application and not open the account and, if appropriate based upon the procedures and policies below, create a Suspicious Activity Report (“SAR”). As with all accounts, PFG will contact Compliance Data Center (“CDC”) for a data base search for name, address, social security number and disciplinary actions by the SEC, CFTC, NFA, Finra, NYSE and the CFTC reparation hearings. Full coverage for the Office of Foreign Asset Control (OFAC) entities, including aliases and most heads of state.

The CIP Program Notice will be posted on PFG’s website. Additionally, account applications sent via U.S. mail will include a copy of the notice.

All new customers of PFGBEST, by completing PFG’s new account documentation, must provide the following information and documentation:

### **Information Required From Individuals-U.S Citizens:**

- The identity and address of the customer (Post Office boxes are not acceptable);

- Date of birth;
- Social security number or taxpayer identification number ("TIN"); PFG will not accept an account in which the TIN has been "applied for."
- Investment experience and objective;
- Net worth, liquid net worth and annual income;
- Citizenship status (e.g., U.S. citizen, resident alien with nationality, non resident alien); and
- Occupation, employer, employer's address and nature of the customer's employment/business.

**Information Required From Companies, Trusts, Partnerships or Other Legal Entities located in the United States:**

- The full name and address of the entity (Post Office boxes are not permitted);
- The jurisdiction of formation and legal form of the entity;
- Taxpayer identification number;
- Investment experience and objective;
- The names of all persons with responsibility for the management of the affairs of the entity (directors, general partners, trustees, authorized signatories), or a copy of its annual report;
- Copy of documents proving the existence of the entity (e.g., certificate of incorporation, memorandum and articles of association, trust deed, partnership agreement);
- On a case-by-case basis, current list of authorized signatories or copies of powers of attorney to establish and document that the entity's representative(s) are authorized to act on the entity's behalf (and copies of valid government-issued photo identification for all such representatives);
- With respect to offshore corporate accounts and accounts for trusts established in foreign jurisdictions, sufficient documentation to identify principal ownership of the account; and

**Non-U.S. Individuals**

- Same information as above.
- Copy of valid passport or other acceptable government-issued identification.

**Information Required From Companies, Trusts, Partnerships or Other Legal Entities not located in the United States:**

- The same information documented for U.S. entities
- Copy of valid photo id for principals completing the account application.

All of the above information and documentation shall be obtained by the AP, attached to the account application documentation, and provided to PFG for processing pursuant to PFG's standard new account approval process. In addition, whenever a material modification is made to an existing account, (e.g., new settlors, new beneficiaries, new authorized representatives, material change in investment objectives, or additional assets are to be involved) or additional new

business is accepted from the same customer, the AP must obtain copies of appropriate documentation to update and correct PFG's records as to the customer and must provide such documentation to the New Accounts Department for processing. **All information provided will be maintained for a period of five years after the account is closed or deleted from PFG's system.**

PFG reserves the right to amend the information it requires in order to open a new account. At a minimum, PFG will obtain all information required by NFA Rules and CFTC Regulations.

### 3. Increased Scrutiny for Customers From High-Risk Jurisdictions and/or Engaged in High-Risk Businesses

Customers from certain jurisdictions, and customers engaged in certain kinds of businesses, should be more carefully scrutinized and monitored for suspicious activities. In particular, PFG will require additional due diligence for customers who: (a) engage in a high-risk business as identified by PFG (*see Exhibit 8*); (b) maintain a Correspondent Account; or (c) reside in, have been formed in, or have connections to, a country that is (i) identified by PFG as a high-risk jurisdiction (*see Exhibit 8*); or (ii) is otherwise NOT on the Financial Action Task Force ("FATF") compliant list (*see on Exhibit 8*). Before opening an account for such potential customers, whether an individual or entity, the AP must obtain, verify and document the following information:

**Information Required From Individuals Who Reside in a Non-NATF-Compliant Country, a High Risk Jurisdiction, or who engage in a High Risk Business.**

- Any prior names/aliases used;
- Financial and professional references – from bank, accountant, law firm known to PFG; and
- Complete a CDC check on the individual(s).

**Information Required From Companies, Trusts, Partnerships or Other Legal Entities From, or Formed in a Non-FATF Compliant Country, High-Risk Jurisdiction, or that engage in a High-Risk Business.**

- A certification of formation;
- Any prior names/aliases used;
- Complete a CDC check on the principals listed in the account papers;
- Obtain a copy of a valid government issued photo identification of the principals and/or authorized representatives of the entity; and
- The name, and number of the beneficial owners of the entity.

**Information Required From Foreign Banks.**

- A certification completed by the customer (which must be resubmitted

- biannually) disclosing (i) the owners of such bank and (ii) the foreign bank's agent that will accept service of legal process in the U.S. on behalf of the bank; and
- Whether such foreign bank maintains "Correspondent Accounts"<sup>1</sup> for any other bank, and if so, the identity of those banks.

After the AP has obtained the foregoing information and documentation, he or she must forward it to the AML Officer who will review the information and documentation, and as appropriate, either approve the account for processing by PFG or disapprove the account. The AML Officer's review and approval/disapproval will be noted in writing, dated, and maintained in the customer's file. In addition, whenever a material modification is made to an existing account that is subject to increased scrutiny under these Policies (e.g., new settlors, new beneficiaries, new authorized representatives, material change in investment objectives or additional assets are to be involved), or additional new business is accepted from the same customer, the AP must obtain copies of appropriate documentation to update and correct PFG's records as to the customer and must provide such documentation to the AML Officer for processing in accordance with the provisions hereof.

#### 4. Prohibited Customers

PFG will cross-reference the names of all individual account applicants and, with respect to institutional accounts, the name of the institution and its principal owners and authorized representatives, against the List of Specially Designated Nationals and Blocked Persons maintained by OFAC (as found on <http://www.treas.gov/ofac/>) or such other list of prohibited persons and entities as may be mandated by applicable law or regulation. Under no circumstances will PFG open any account for, or on behalf of, any person whose name, or alias, is on such list or for any entity that has a principal owner or authorized representative whose name, or alias, is on such list. Additionally, PFG will not open any account for, or on behalf of, any person, or for any entity that resides in has connections to, or was formed in a regime subject to OFAC sanctions (*see Exhibit 8*). Finally, PFG will not open any account for any foreign shell bank (i.e., a bank without branches or Offices in any country) unless that bank is affiliated with a domestic or foreign financial institution under the supervision of an appropriate regulatory banking authority.

#### 5. Senior Foreign Government/Public Officials

Any employee who becomes aware of an account beneficially owned, controlled or maintained for a senior foreign government official (e.g., a head of state, high

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<sup>1</sup> Treasury Department [proposed] regulations define a "Correspondent Account" as "an account established to receive deposits from, make payments on behalf of a foreign bank, or handle other financial transactions related to such bank." Therefore, any account opened with PFGBEST by a foreign bank shall be considered a Correspondent Account for all purposes herein.

ranking military officer or bureaucrat), the close family member or associate of such an official must report such account to the Director of Compliance immediately.

#### 6. Relationships Between PFG and Financial Institution Customers

From time to time, other financial institutions, such as commodity pool operators, commodity trading advisors, domestic and foreign banks, introducing brokers, trust administrators and nominees, may introduce new customers to PFG, or may open accounts with PFG for the beneficial ownership of parties undisclosed to PFG. For the purposes of PFG's "know your customer" policies, PFG considers some of these financial institutions to be its customer, not such account's beneficial owners or sub-account holders, assuming the financial institution is the principal (and not the agent) for the account and financially responsible for payment for all transactions. Since these financial institutions have direct contact and maintain the primary relationship with the ultimate beneficial owner, they are in the best position to know the underlying "customer."

Consequently, in certain circumstances, PFG may rely, consistent with this Section and these Policies, upon the anti-money laundering policies, procedures and due diligence of such third-party financial institution. The Director of Compliance, in consultation with PFG's Legal and/or Compliance Department, will determine the circumstances in which it is appropriate to rely upon such third-party policies and procedures and, in reaching this determination, will consider the following factors:

- The jurisdiction in which the third party is based and the existence of applicable anti-money laundering laws and regulations (in this case, PFG will review pronouncements of U.S. governmental agencies and multilateral organizations regarding the anti-money laundering laws and regulations in such jurisdiction);
- The regulatory status of the third party and its affiliates;
- The reputation and history of the third party in the investment industry; and
- The anti-money laundering and due diligence policies, procedures and controls implemented by the third party.

Generally, PFG may rely upon the anti-money laundering policies, procedures and due diligence of a U.S.-regulated financial institution or a non-U.S. regulated financial institution organized in a FATF-compliant jurisdiction. If a prospective financial institution customer is not regulated by a FATF-compliant jurisdiction, PFG will consider such financial institutions and the effectiveness of its anti-money laundering procedures on a case-by-case basis, taking into account the factors in this Section.

In cases where PFG intends to rely upon the anti-money laundering policies, procedures and due diligence of a third-party financial institution, PFG will obtain a written representation from the financial institution that its anti-money laundering and due diligence policies, procedures and controls comply with applicable laws and regulations. The AML Officer, also may take one or more of the following steps with respect to such financial institution:

- Require the financial institution to provide PFG with a copy of its anti-money laundering and due diligence policies, procedures and controls and promptly to notify the AML Officer of any amendment thereto;
- Require the financial institution to certify and covenant that it complies and will continue to comply with its anti-money laundering and due diligence policies, procedures and controls;
- Require meaningful written representations and covenants as to persons verified by the financial institution (e.g., a covenant that it will ensure that no such persons are contained on OFAC's List of Specially Designated Nationals and Blocked Persons);
- Require the financial institution to provide access, upon request, to copies of documents reviewed by the financial institution in performing its anti-money laundering due diligence;
- Require the financial institution to submit to a review or audit of its anti-money laundering policies, procedures and controls and its compliance with the policies as they relate to PFG; or
- Obtain evidence of or representations as to its authority to open the contemplated account or make the contemplated investment.

Notwithstanding the foregoing, if any PFG employee or AP has any reason to believe that the anti-money laundering procedures of a financial institution customer are deficient or lacking, the employee must contact the AML Officer immediately. Upon the receipt of such information, the AML Officer shall, if necessary, request from the financial institution customer, any and all documentation (e.g., anti-money laundering manuals, additional representations, etc.) needed in order to determine whether the anti-money laundering policies and procedures and due diligence of the financial institution customer are sufficient, and shall undertake a review of such documentation to determine the sufficiency of such policies and procedures. Such review may be undertaken in consultation with the Legal and/or Compliance Department, as appropriate. Such review will be documented in writing, dated, and maintained in the customer's file. If the financial institution customer refuses to provide any information when requested, PFG will consider not opening the account.

PFG's employees and APs still must conduct appropriate due diligence on such financial institutions pursuant to PFG's "know your customer" policies. In all cases, the AML Officer shall document the steps taken in considering the account application and the reasons for approving/disapproving the account.

## **7. Accepted Forms of Deposits**

PFG will accept only certain forms of deposits from its customers, such as checks and wire deposits. Under NO circumstances will PFG accept cash. Single personal and business checks are recommended and strongly advised for all deposits made with PFG. PFG's employees and APs are not permitted to assist a customer in converting cash to an acceptable form of payment. The following forms of deposit for a customer account will not be accepted:

- A Firm employee's personal check or one from his DBA;
- Traveler's checks;
- Foreign bank drafts;
- An employer's check to an employee; and
- Checks drawn on a business account for deposit in an individual account are not acceptable (unless the entity is a sole proprietorship and PFG maintains representation that the individual is the sole proprietor).
- PFG does not offer credit extensions to customers, employees, affiliates, etc.
- Third-party checks endorsed by the payee to PFG (or drawn to a person and double endorsed by a customer for deposit) are not acceptable except:
  1. A rollover of a qualified plan;
  2. A trustee check that involves no refund; or
  3. A check drawn on a customer account maintained at another reporting financial institution such as a broker-dealer;

## **30.3 Suspicious Activity Reporting**

### **1. Account Opening**

Suspicious activity can be detected at any time during a customer's relationship with PFG. Certain customer conduct during the account opening process may be indicative of intent to use the account for money laundering activities.

The following are examples of suspicious activities during the account opening process that may be indicative of money laundering and must be immediately reported to the Director of Compliance:

- The customer, or a beneficial owner of the customer, appears on a list of sanctioned individuals or entities as maintained by OFAC;

- The customer attempts to use bribery, coercion or any other improper action to open an account or conduct a transaction;
- The customer exhibits unusual concern for secrecy, particularly with respect to his/her identity or background, or refuses to complete, in its entirety, PFG's account documentation;
- The customer exhibits unusual concern regarding PFG's compliance with government reporting requirements, particularly with respect to his or her identity, type of business, and assets;
- Upon request, the customer refuses to identify or fails to indicate a legitimate source for his/her funds and other assets or identifies a source that is fictitious, false, misleading or substantially incorrect;
- The customer appears to operate as an agent for an undisclosed principal, but is reluctant to provide information regarding the principal or the nature of their relationship;
- The customer is reluctant to provide complete information regarding the purpose of his/her business, prior banking relationships, an entity's officers and directors or location;
- The customer has difficulty describing the nature of his/her business;
- The customer lacks general knowledge of his/her industry;
- The customer presents unusual or suspicious identification documents that cannot be readily verified;
- For no apparent reason, the customer requests multiple accounts under a single name or multiple names;
- The customer is from, or maintains accounts in, a country identified as a haven for money laundering; or
- The customer or a person associated with the customer, has a questionable background (including prior criminal convictions) or is the subject of news reports indicating possible criminal, civil or regulatory violations.

## 2. Account Monitoring Generally

The AML Officer or his/her designee will monitor customer transactions on an ongoing basis with respect to any questionable practice, high-risk characteristic or suspicious activity. Account activities subject to monitoring include, but are not limited to, the trading and flow of money into and out of an account, the types, amount and frequency of different financial instruments deposited into and withdrawn from the account and the origin and destination of wire transfers.

With respect to any of the following types of accounts, the AML Officer shall determine, at the time the account is approved (or at such other time as the AML Officer learns that the account has any of the following high risk characteristics or those in listed above), the appropriate level and frequency of review of account activity in consultation with the appropriate AP, and shall monitor the account accordingly based on such determination:

- An account for a customer engaged in a high-risk business (*see Exhibit 8*);

- An account from a non-FATF compliant or high-risk jurisdiction (Exhibit 8);
- An account held by a senior foreign government official or the close family member or associate of such an official;
- A Correspondent Account; or
- An account for which PFG has filed a SAR.

The AML Officer may modify the monitoring level and frequency for any given account based upon ongoing account activity. On an annual basis, PFG also will run customer names against the OFAC blocked persons list to confirm that existing customers have not been added to the list.

### 3. Ongoing Account Activity

The following activities that may occur during the business relationship with the customer are examples of suspicious activities or characteristics that must be reported immediately to the Director of Compliance:

- A customer account has unexplained or sudden extensive wire activity, especially in accounts that had little or no previous activity;
- A customer requests cash disbursements from PFG;
- A customer's account shows numerous cashiers check transactions aggregating to significant sums;
- A customer's account has a large number of wire transfers to or from third parties who have no family or fiduciary relationship;
- A customer's account has wire transfers at off times or unusual locations (to or from a bank secrecy haven country or country identified as a money laundering risk);
- The information provided by the customer that identifies a legitimate source for funds is fictitious, false, misleading or substantially incorrect;
- Upon request, the customer refuses to identify or fails to indicate any legitimate source for his/her funds and other assets;
- The customer's account has inflows of funds or other assets well beyond the known income or resources of the customer;
- A customer attempts to make frequent or large deposits of currency, insists on dealing only in cash equivalents or asks for exemptions to PFG's policies relating to the deposit of cash and cash equivalents;
- A customer engages in transactions involving cash over \$10,000 or cash equivalents or other monetary instruments that appear to be structured to avoid government reporting requirements, especially if the monetary instruments are in an amount just below reporting or recording thresholds and/or are sequentially numbered;
- A customer makes a funds deposit, for the purpose of purchasing a long-term investment, followed shortly thereafter by a request to liquidate the position and a transfer of the proceeds out of the account;

- A customer engages in excessive journal entries between unrelated accounts without any apparent business purpose;
- A customer requests that a transaction be processed in such a manner so as to avoid PFG's normal documentation requirements;
- A customer deposits bearer bonds followed by immediate request for the disbursement of funds;
- A customer exhibits a total lack of concern regarding risks, commissions, or other transaction costs;
- A customer's account indicates large or frequent wire transfers, immediately withdrawn by check; and
- A customer's account shows a high level of account activity with very low levels of futures transactions.
- For all transactions (wire) over \$3,000, PFG's wire log/other document will contain the following: name/address of the transmitter, the amount, the execution date, any payment instructions, the identity of the recipient's financial institution (name, account number or other identifiers) any other forms relating to the transmittal of funds that is completed or signed by the person placing the transmittal.

According to federal law, a transaction is also "suspicious" and must be reported if it involves, in aggregate, at least \$5,000 in funds or other assets and if PFG reasonably suspects, taking all known facts into consideration, that the funds were derived from illegal activities, or that the transaction(s) is intended to hide or disguise the illegal source of funds. In particular, suspicious transactions or series of transactions that must be reported include (i) transactions that seek to hide the ownership, nature, source, location or control of assets; (ii) transaction(s) designed to evade the currency transaction reporting requirements; and (iii) a transaction that has no business or apparent lawful purpose, or that is not the sort in which the customer normally would be expected to engage, particularly where PFG has no reasonable explanation for the transaction. However, suspicious activity need not satisfy the above \$5,000 threshold in order to be subject to reporting. Therefore, PFG's employees and APs should report any pattern of suspicious activity, even if such pattern does not meet the \$5,000 threshold noted above. The AML Officer/Compliance Department also must be notified of any instance of the receipt of an order for a reportable transaction whether or not the customer goes through with the transaction.

#### 4. Reporting Suspicious Activity

Any employee or AP who becomes aware of suspicious activity (as defined above), or believes such activity may have occurred, must report such activity to the Director of Compliance *immediately*. The Director of Compliance will investigate such report and, if such investigation gives rise to knowledge or suspicion of money laundering or other suspicious activity or transactions (i.e., any transaction in which there is an indication of possible illegal activity), regardless of the amount, a SAR shall be filed by the Director of Compliance with the Financial Crimes Enforcement Network ("FinCEN") promptly after

initial detection of facts giving rise to the incident requiring filing. In addition, PFG will *immediately* contact the appropriate government authorities upon the discovery of (i) a customer or potential customer, or beneficial owner of a customer or potential customer, on an OFAC list of sanctioned individuals or entities, (ii) any attempts by a customer or potential customer to use bribery, coercion or other improper action to open an account or conduct a transaction, or (iii) any other situation, as reasonably determined by the AML Officer, that requires immediate government intervention. Under any of the foregoing circumstances, the Director of Compliance has the discretion to close the account or to monitor ongoing transactions in such account. Moreover, it is PFG's policy to cooperate fully with government authorities with respect to any such account.

Certain states have enacted their own anti-money laundering reporting requirements, which may or may not be satisfied by a report submitted to FinCEN. Therefore, the Director of Compliance will analyze relevant state law and file any necessary reports required pursuant to applicable state laws.

#### 5. Timing of Suspicious Activity Reports

PFG is required to file a SAR within 30 days of the date of the initial detection of the suspicious activity, unless no suspect can be identified, in which case the time can be extended to 60 days. The time for filing starts when PFG either knows, or has reason to suspect, that the activity under review constitutes suspicious activity that must be reported. Therefore, the Director of Compliance will investigate any and all reports of suspicious activities expeditiously and will document all steps taken and evidence considered in doing so. Once a SAR has been filed for an account, the Director of Compliance will continue to monitor any and all activity in the account on a weekly basis. Any and all continuing suspicious activity will be reported on a new SAR within 30 days of discovery of such activity.

#### 6. Cash Reporting

PFG's employees and APs must report to the Director of Compliance payments/deposits, or attempted payments/deposits, in cash or cash equivalents (e.g., money orders, cashiers checks and travelers checks). Particular care should be taken with respect to cash or cash equivalent payments from a non-FATF entity. Also, all PFG employees and APs must report to the Director of Compliance, any payments/deposits of more than \$10,000 in one or more related cash transactions.

Although PFG will not engage in cash transactions with customers, employees and APs should be aware that it is PFG's policy to identify and report cash transactions exceeding \$10,000 with the Internal Revenue Service. The Director of Compliance shall file Form 8300 with the IRS if, in the course of its trade or business, PFG receives more than \$10,000 in cash in one or more related transactions. Transactions are considered related if they are conducted by a payer

or its agent and the recipient within a 24-hour period or if the recipient knows or has reason to know that the transactions are connected.

#### 7. Information Sharing

PFG may elect to join the Department of Treasury's information sharing network regarding anti-money laundering. Consequently, PFG may, when warranted, share information regarding any suspicious activity, or any customer, with other financial institutions or appropriate governmental entities. Should any employee receive a request or subpoena from any financial institution, government agency, self-regulatory authority, or law enforcement agency to provide information regarding a past, current or prospective PFG customer, such request must be forwarded to the Legal and Compliance Department immediately. Additionally, PFG will fully cooperate with all applicable regulatory, self-regulatory, governmental and law enforcement authorities (the "Authorities") with respect to PFG's compliance with anti-money laundering laws and regulations. The AML Officer shall act as the primary PFG contact in any matters dealing with the Authorities.

Only the Director or Compliance, General Counsel or other senior management are authorized to disclose information regarding customer accounts to third parties outside of PFG. No later than seven days after PFG receives a request from an appropriate Authority for information related to anti-money laundering compliance or any customer account, the Director of Compliance shall make available to such agency information and account documentation for any account opened, maintained, administered or managed by PFG. Moreover, PFG shall effect any action requested by the Authorities, including, but not limited to, the termination of an account or the monitoring of activities in an account. Finally, PFG will close a Correspondent Account within ten business days of receiving written notice from the Treasury Department or the United States Attorney General that the foreign bank failed either to comply with a summons or subpoena or to contest it in a United States court.

#### 8. Confidentiality

All information reported by any AP or employee regarding a suspicious activity will be held in the strictest confidence by PFG and not disclosed to any customer. All Suspicious Activity Reports are confidential. Furthermore, it is a violation of federal law to disclose to the customer involved, or any third party outside of PFG (other than law enforcement agencies or regulators), that PFG has filed a Suspicious Activity Report.

#### 9. Maintenance of Records

PFG requires that all employees and APs maintain an effective system of records and reports to keep management continuously informed of customers' activities and conditions. PFG may require internal and external audits to verify and

supplement the AP's or employee's records and reports. PFG forbids the alteration of PFG's records for the purpose of evading PFG's policies and procedures.

A record of the evidence of each customer's identity and of all the transactions carried out by each customer shall be maintained at PFG's main office. Specifically, the retained records shall include, without limitation, (i) the documentation provided by, or completed by, the customer at the account opening, (ii) the details of all transactions carried out by that customer, and (iii) any SAR filed by PFG and all documentation supporting such SAR. PFG will maintain records as to customer identification and monitoring at a readily accessible location for the first two years after each account opening, and thereafter, such records shall be maintained for a period of five years after such account is closed. PFG will maintain records of any SAR filing with supporting documentation for a period of five years after such filing.

#### 30.4. Anti-Money Laundering Compliance Officer ("AML CO")

All employees and APs of PFG must immediately report any suspicious activity, and direct any question regarding these policies and procedures, to the AML CO, who reports directly to the senior management of PFG. The name of the AML CO for PFG is Susan O'Meara, Director of Compliance. The responsibilities of the AML CO shall include, but not be limited to:

- Coordinating and monitoring of PFG's compliance with application anti-money laundering laws and regulations and PFG's anti-money laundering program;
- Receiving reports of suspicious activity from PFG's employees and APs, and when appropriate, filing Suspicious Activity Reports;
- Gathering relevant information to evaluate and review suspicious activity;
- Overseeing audits regarding the efficacy of PFG's anti-money laundering policies and procedures;
- Maintaining copies of all documentation, records and communication relating to any suspicious activity reported by PFG's employees and APs;
- Reviewing developments in anti-money laundering laws and regulations and revising these policies and procedures as necessary; and
- Conducting anti-money laundering training programs for PFG's employees and maintaining records evidencing such training.

#### 30.5. Anti-Money Laundering Training Policies and Procedures

As part of PFG's anti-money laundering program, all employees and APs are required to read these Policies and acknowledge their provisions on the signature page attached. PFG will as needed, but no less often than annually, conduct

mandatory training seminars for appropriate employees that shall address, at a minimum:

- PFG's anti-money laundering efforts;
- How to identify suspicious activities;
- What to do once suspicious activities, or the risk of suspicious activities, arise;
- The duties of particular individuals and/or departments in PFG's anti-money laundering compliance efforts;
- How particular individuals and/or departments should execute such duties;
- PFG's records retention policy;
- Developments in the anti-money laundering laws and regulations; and
- Disciplinary consequences, including criminal and civil penalties for non-compliance with the Policies and anti-money laundering laws.

The Director of Compliance will be responsible for maintaining a written record of all anti-money laundering training sessions conducted, which shall include the attendees, dates and locations of such sessions.

### **30.6 Independent Audit of the Anti-Money Laundering Policies and Procedures**

On an annual basis, the individual audit committee shall evaluate and review the efficacy of these policies and procedures. This review shall include, but not be limited to, a review of any changes in applicable laws and regulations; a review of PFG's due diligence procedures and a survey of changes in high-risk foreign jurisdictions and the results of such review shall be presented to PFG's chief executive officer. The Director of Compliance shall address and correct any deficiencies found during the audit and evidence such remedies.

### **30.7 Hiring Qualified Staff**

Upon hiring of individuals who are involved in the cashiering functions at PFG, PFG will ensure the staff is aware and trained in PFG's AML procedures. PFG, at its discretion, may consider performing a background check on individuals hired in this capacity.

### **30.8 Sections 311 & 312**

#### **Section 311**

In addition, upon notification from the United States Department of the Treasury that an entity or individual is not permitted to conduct financial activities in the United States pursuant to Section 311 of the Patriot Act, the AML CO will conduct a review to determine if such entity or individual has

an account with PFG. Furthermore, the AML CO will notify all correspondent accounts carried by PFG that such entity or individual cannot maintain an account with PFG through the correspondent account. The AML CO will maintain a record of such internal review and notification to correspondent accounts. If either an internal review or correspondent review indicates that the named individual or entity subject to Section 311 does have an account, it will be immediately closed and appropriate government officials will be notified of such occurrence.

## **Section 312**

### **Special Due Diligence for Correspondent Accounts**

The Treasury Department has issued procedures to comply with Section 312 of the Patriot Act. This section has been established to assist the government in its fight against money laundering and essentially requires that U.S. financial institutions such as PFG conduct additional due diligence when opening accounts with Foreign Financial Institutions ("FFI").

Under Section 312, FFIs are defined as any of the following:

- Foreign Bank
- Foreign Branch of a U.S. Bank
- Foreign Broker Dealer
- Foreign Futures Commission Merchant
- Foreign Introducing Broker
- Foreign Mutual Fund
- Foreign Money Transmitter
- Foreign Exchange House

The due diligence program that PFG has established will take reasonable steps prior to opening the account to determine:

- The type of FFI, (e.g., bank, broker-dealer);
- The type of business and/or markets in which the FFI will engage or trade;
- The type of service the FFI is providing;
- The duration, if any, of The Firm's relationship with the FFI;
- Whether the FFI is trading for itself or for its customers;
- The AML framework in the FFIs home country;
- Any information that is known about the FFIs AML history.

It is important for the purpose of determining risk to be aware if the FFI is transacting business for its customers. Of prime importance under this Section of the Patriot Act is whether the customers or accounts the FFI represents are:

- A present or former foreign political figure, a relative widely known or close associate of that individual or an entity controlled by the political figure;
- A personal holding company which is usually a one person corporation, which primarily just invests and does not maintain other business interests;
- An offshore banking center which is a bank that is organized in a jurisdiction but is not permitted to accept business from residents of that jurisdiction.

These three types of accounts are considered to be a risk in the prevention of money laundering and would need to be monitored even more closely.

Once the FFI account is opened, it will be monitored periodically for the ongoing purpose of determining money-laundering risk. This monitoring will typically entail a review of trading and money movements in and out of the account. The AML CO will determine the frequency of this review for each FFI account based upon the level of money-laundering risk.

The accounts that possess the most risk will require a quarterly review. An account with less risk will require a semi-annual review and an account with low risk will require an annual review. The greater risk will usually occur when the account is new, privately owned, trading for other accounts (e.g., a foreign broker dealer) and is located in a jurisdiction that does not maintain a robust anti-money laundering program. The second level of risk will encompass some of the items listed above. The account with the lowest risk will usually be a publicly traded entity, trading proprietary accounts and which is located in a jurisdiction with well-established anti-money laundering regulations.

#### Special Due Diligence for Private Banking Accounts

The Treasury Department has issued procedures to comply with Section 312 of the Patriot Act. This section has been established to assist the government in its fight against money laundering and essentially requires that U.S. financial institutions such as PFG conduct additional due diligence when opening Private Banking Accounts.

Under Section 312, Private Banking Accounts are defined as accounts meeting the following requirements:

- Established or maintained for the benefit of one or more non-U.S. persons;
- Requiring minimum aggregate deposit of funds or other assets of not less than \$1,000,000;
- Assigned to a bank employee who is a liaison between PFG and the non-U.S. person.

The due diligence program that PFG has established will take reasonable steps prior to opening the account to:

- Determine the identity of all nominal and beneficial owners of the private banking account;
- Determine whether any such owner is a senior foreign political official and, thus, is subject to enhanced scrutiny; (see below)
- Determine the source(s) of funds deposited into the private banking account and the purpose and expected use of the account.

If PFG is unable to reasonably obtain the above stated information, the account will not be opened.

PFG will review the ongoing activity of the Private Banking Accounts to ensure that the activity is consistent with the information obtained and will report any suspicious activity.

In order to determine if an individual is a senior foreign political figure, the following criteria have been identified:

- A current or former senior official in the executive, legislative, administrative, military, or judicial branches of a foreign government, whether or not they are or were elected officials;
- A senior official of a major foreign political party;
- A senior executive of a foreign government-owned commercial enterprise. This includes a corporation, business, or other entity formed by or for the benefit of such an individual. Senior executives are individuals with substantial authority over policy, operations, or the use of government-owned resources.
- Immediate family members of such individuals, and those who are widely and publicly known (or actually known) close associates of a senior foreign political figure.

Any Private Banking Account determined to be the account of a senior political figure will require enhanced scrutiny. This scrutiny is designed to detect and report transactions that may involve the proceeds of foreign corruption. Proceeds of foreign corruption are defined as any asset acquired by, through, or on behalf of a senior foreign political figure through the following means and includes any other property into which such assets have been transformed or converted:

- Misappropriation
- Theft
- Embezzlement of public funds
- Unlawful conversion of property of a foreign government
- Acts of bribery or extortion

### 30.9 Financial Crimes Enforcement Network ("FinCEN") Requests

PFG will access FinCEN's website on an on-going basis and review all requests. PFG will search its records for any current accounts maintained by a named subject during

the preceding 12 months and for transactions conducted by the named subject within the preceding six months.

PFG will report any matches to FinCEN within 14 days of the list being posted on their website.

PFG will maintain documentation of its search which will include the request date, tracking numbers and date the verification was done on the website. Additionally, in the event there is a match PFG will maintain all appropriate information.

## EXHIBIT B

INSERT 8

**EA COMPLIANCE, INC.**1910 FIRST ST., SUITE 303  
HIGHLAND PARK, IL 60035

PHONE: (847) 266-7602

FAX: (847) 266-8030

WWW.EACOMPLIANCE.COM

Independent Auditor's Report

To the Management of Peregrine Financial Group, Inc;

We have completed our performance audit of the anti-money laundering programs of Peregrine Financial Group, Inc as required under the National Futures Association Rule 2-9(c) and Title III, Subtitle B Sec. 352 of the USA PATRIOT Act of 2001. The anti-money laundering programs are the responsibility of the management of Peregrine Financial Group, Inc. Our responsibility is to express an opinion regarding the company's compliance to their anti-money laundering programs.

We have conducted our performance audit in accordance with Chapter 7 of the "Government Audit Standards" 2007 Revision issued by the Comptroller General of the United States (the Yellow Book). These standards require that we plan and execute the performance audit to obtain reasonable assurance that the legislative, regulatory and organizational goals and objectives concerning the anti-money laundering program of Peregrine Financial Group, Inc. are achieved in an efficient manner relative to cost and benefits.

The audit took place between November 10, 2009 and November 25, 2009 and covered the period from October 31, 2008 through October 31, 2009. The scope of the audit included the following:

- A review of your company's compliance program, manual and training materials;
- A review of the training activities conducted by your company since the last audit;
- A review of your company's monitoring activity;
- A review of your company's prior audits and recommendations thereon;
- Site visit to your company's Chicago location in order to witness certain procedures;
- Testing of sample transactions, selected from your company's Chicago location, to determine if reporting and recording requirements were performed as required.

In our opinion Peregrine Financial Group, Inc is in compliance with the National Futures Association Rule 2-9(c) and Title III, Subtitle B Sec. 352 of the USA PATRIOT Act of 2001 regarding the requirement for anti-money laundering programs. We have prepared a separate letter which provides additional details on the work performed and suggestions for further strengthening of the anti-money laundering programs.

*EA Compliance, Inc.*

Highland Park, Illinois 60035

November 25, 2009

**EA COMPLIANCE INC.**

1910 FIRST ST., SUITE 303  
HIGHLAND PARK, IL 60035

PHONE: (847) 266-7602

FAX: (847) 266-8030

WWW.EACOMPLIANCE.COM

To the Management of Peregrine Financial Group, Inc;

It is our understanding that the primary function of your firm (also doing business as PFG Best and hereafter referred to a "PFG" or the "Company") is that of a futures commission merchant (FCM), and you are registered with the National Futures Association (NFA) ID# 0232217.

As explained in the Independent Auditor's Report, we have completed the anti-money laundering (AML) program compliance audit for your firm. This AML program compliance audit does not extend in any way to the financial statements or any financial information relating to PFG. EA Compliance expresses no opinion or other form of assurance regarding the financial statements or any other financial information of PFG.

The purpose of our AML compliance audit was to test your anti-money laundering program and express an opinion as it relates to the following areas as mandated under the USA PATRIOT Act of 2001; TITLE III, Sections 352 (a)(A),(B), (C) and (D). These four sections are explained as follows;

- A. The development and compliance of internal policies, procedures and controls
- B. The designation of a qualified AML compliance officer
- C. Ongoing employee training for the appropriate personnel
- D. An independent audit to test the AML system

Our process included interviews with PFG's appropriate personnel and agents, reviews of various AML program Policy and Procedures documents, direct testing of your customer files, and communications conducted via telephone and e-mail. In determining the appropriate procedures necessary to conduct a valid AML program audit, EA Compliance made judgments regarding the level of money laundering risk exposure based on several factors including, but not limited to, the nature and make up of the firm's customer base, the geographic location of its foreign customers and the range of products offered by the firm.

This AML audit did not include any testing of the AML programs of any third parties, such as clearinghouses, futures commission merchants, banks, other financial institutions or vendors, in which your firm may have agreements in place concerning your AML program.

The following comments relate to your firm's AML program:

**Regarding the development and compliance of internal policies, procedures and controls:**

EA Compliance, Inc. has reviewed the firm's Anti-Money Laundering Policy and Procedures document found in Section 30.0 of the Company's manual titled PFG BEST.com Compliance and Procedures Manual Updated Winter 2008 and, given the nature of the firm's activity and customer base, we have found it to be appropriate and complete.

Regarding specific areas of PFG's AML program and procedures;

- PFG clears trades of regulated futures and Forex contracts for several thousand customers of over one hundred guaranteed futures introducing brokers (hereafter "IB" or "GIB") worldwide. PFG does not accept accounts for any individual or entity from countries that appear on the Foreign Asset Task Force's ("FATF") list of Non-Cooperative Countries and Territories. PFG issues a certificate or letter to all its IBs stating that PFG will be responsible for performing the customer identification and verification procedures for all customers introduced by those IBs. Based on the geographic locations, customer base and number of the IBs, EA Compliance is of the opinion that PFGs risk of money laundering activity is moderate.

- EA Compliance reviewed a sufficiently large enough sample of new customer accounts to allow for a 95% confidence level with an expected variance of 10%. Our review of the customer files was conducted with the assistance of Jennifer Elwood, PFG's New Accounts Manager.

The account opening process generally begins with a potential customer completing an online application. PFG personnel reviews new account applications for completeness and checks all new accounts via telephone with Compliance Data Center (CDC), which is a service provided by Equifax. CDC provides various AML program compliance related services for companies in the futures and securities industry. PFG uses CDC and its main resource for of customer identification and verification.

EA Compliance has typically seen CDC used via an online interface rather than through a telephone discussion. CDC's online program ranks the likelihood of correctness for various components of information provided (e.g. customers' name, address, social security number). EA Compliance would compare the two methods of interaction with CDC as follows:

	<u>Interact with CDC via telephone</u>	<u>Interact with CDC via Internet</u>
<b>Advantages</b>	<ol style="list-style-type: none"> <li>1. Specific questions and discussions can take place with CDC personnel as needed;</li> <li>2. Circumvents Internet connection problems that may arise;</li> <li>3. Little or no training required in order to interact with CDC personnel.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reports can be printed out to confirm results including what checks were actually done (e.g. OFAC check);</li> <li>2. All aspects of the report can be viewed at a later date in order to check various issues that may subsequently arise;</li> <li>3. Easy to use;</li> <li>4. Provides ranking of various aspects of customers' ID.</li> </ol>
<b>Disadvantages</b>	<ol style="list-style-type: none"> <li>1. Verbal representations may be misinterpreted;</li> <li>2. PFG has no independent verification that the check was actually made;</li> <li>3. No assurance that the CDC is performing all necessary tests.</li> </ol>	<ol style="list-style-type: none"> <li>1. Unable to discuss specific issues or concerns regarding an applicant cannot be discussed easily;</li> <li>2. The search function may provide ambiguous or inaccurate results;</li> <li>3. Initially the interface may be confusing which may provide inaccurate results;</li> </ol>

EA Compliance is of the opinion that given the facts and circumstances regarding PFG's application process and customer base, the Company should consider using CDC's online application, in order to have an independent report in hard document form.

- Our review found that generally PFG does not require domestic applicants to provide any form of third party or government verification of identification, such as a passport or drivers license. EA Compliance suggested that PFG should begin implementing a policy of requiring some form of government issued identification for their domestic applicants, as is required from their foreign applicants.
- PFG maintains records of all communications and requests from the Financial Crimes Enforcement Network (FinCEN). EA Compliance confirmed that the firm maintains records of all requests for information from FinCEN however PFG has had no cause to reply up to this point.
- Through CDC, PFG checks potential new customers against various lists of prohibited individuals, countries & territories such as those provided by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons and Financial Action Task Force's (FATF) list of Non-Cooperative Countries and Territories (NCCT).
- PFG's Anti-Money Laundering Compliance Officer (hereafter "AMLCO") confirmed that the Company does not accept cash, cash equivalents or checks from third parties on behalf of any customer. PFG does not distribute funds to third parties. EA Compliance concurs with these policies, which we believe limits the risk of money laundering or tax evasion.
- PFG's accounting department is responsible for monitoring cash flow activity and reporting suspicious activity to the AMLCO as needed.
- PFG has had no incident which they believe required filing a Suspicious Activity Report (SAR).

**Regarding the designation of a qualified AML Compliance Officer:**

- Section 30.4 of the Company's compliance document names Susan O'Meara as PFG's AMLCO. This section enumerates the functions and responsibilities of this office. Based on her training, experience and willingness, EA Compliance is of the opinion that Susan O'Meara is appropriate for this position.

**Regarding ongoing employee training for the appropriate personnel;**

PFG requires their appropriate personnel to undergo AML training at least annually by viewing the online course provided by Exchange Analytics, Inc. EA Compliance is of the opinion that the course offered by Exchange Analytics adequately fulfills PFG's AML training requirement. A list of all PFG personnel that have completed the AML training as of the date of this report is provided in the attached Appendix A.

**Regarding an independent audit to test the AML system:**

As required under Section 30.6 of the Company's AML program document, an annual independent audit to test a firm's AML policy and procedures shall be performed. The management and staff of EA Compliance possess the education, experience and credentials necessary to complete such an independent audit and express an opinion. EA Compliance has completed this annual audit of PFG's AML program.

**Summary of Recommendations:**

- EA Compliance suggests that PFG implement CDC's online application. The benefits of the online program as stated above outweigh the disadvantages given PFG's customer base and money laundering risk.
- EA Compliance suggests that PFG require all domestic account owners, including trustees of trusts and responsible parties of company accounts, provide unexpired government issued identification. Given the size and nature of PFG's business, EA Compliance is of the opinion that PFG may be relying too heavily on CDC as its sole source of customer identification and verification.

We appreciate the opportunity to be of service to you.

*EA Compliance, Inc.*

Highland Park, Illinois 60035

November 25, 2009

APPENDIX A

<b>Completion Date</b>	<b>Name</b>	<b>Course</b>	<b>Method</b>
11/3/2009	Adkins, Scott J	AML	Web Based
3/17/2009	Agdaian, Arman	AML	Web Based
10/16/2009	Alaniz, Antonio J	AML	Web Based
7/16/2009	Albrecht, Amanda	AML	Web Based
7/13/2009	Anthony, Michael	AML	Web Based
3/9/2009	Bell, Amber J	AML	Web Based
7/27/2009	Benvenuto, Frank M	AML	Web Based
7/16/2009	Blalock, Niccarrah Y	AML	Web Based
10/19/2009	Bonzer, Danielle	AML	Web Based
10/6/2009	Brown, Lamont	AML	Web Based
1/5/2009	Brown, Gregory	AML	Web Based
7/16/2009	Cahalan, Dawn	AML	Web Based
8/8/2009	Campagne, John	AML	Web Based
2/6/2009	Chappetto, Richard F	AML	Web Based
10/19/2009	Chong, Kem H	AML	Web Based
7/9/2009	Church, Jessica	AML	Web Based
10/26/2009	Collins, Joshua	AML	Web Based
1/7/2009	Connelly, Brian J	AML	Web Based
8/13/2009	Cuyppers, Dirk	AML	Web Based
5/21/2009	Daly, Michael E	AML	Web Based
5/21/2009	Dawson, Dina	AML	Web Based
3/11/2009	Denzinger, Joseph E	AML	Web Based
8/23/2009	Divagno, Joe	AML	Web Based
7/16/2009	Doocy, Melissa	AML	Web Based
4/20/2009	Dooley, William S	AML	Web Based
3/3/2009	Duffey, Martha C	AML	Web Based
7/10/2009	Duffy, Joseph J	AML	Web Based
10/26/2009	Filck, Jeffery D	AML	Web Based
7/9/2009	Flynn, Philip J	AML	Web Based
4/15/2009	Flynn, Daniel J	AML	Web Based
8/12/2009	Freeman, Bruce	AML	Web Based
6/18/2009	Gadzinski, Andrew	AML	Web Based
12/31/2008	Galloway, Chukwu	AML	Web Based
6/3/2009	Gangloff, James	AML	Web Based

Completion Date	Name	Course	Method
5/22/2009	Gast, Luke	AML	Web Based
7/16/2009	Gates, Josh A	AML	Web Based
3/5/2009	Gehman, Michael	AML	Web Based
2/16/2009	Gibson, Blair E	AML	Web Based
7/13/2009	Gordon, Jeffrey M	AML	Web Based
7/10/2009	Gordon, William N	AML	Web Based
7/16/2009	Hall, Jeanie	AML	Web Based
7/17/2009	Hannagan, Tim C	AML	Web Based
3/3/2009	Hess, G.W.	AML	Web Based
5/28/2009	Hirsch, Marc	AML	Web Based
10/15/2009	Ho, Yeemee	AML	Web Based
1/6/2009	Hoerter, Bill	AML	Web Based
7/14/2009	Hogan, Therese	AML	Web Based
11/4/2009	Hong, Cheng	AML	Web Based
6/22/2009	Horter, Eavenson	AML	Web Based
3/16/2009	Isaacson, Barry S	AML	Web Based
12/31/2008	Jones, Clay	AML	Web Based
7/16/2009	Jorgenson, Angela	AML	Web Based
3/16/2009	Kaneyuki, Julie	AML	Web Based
3/3/2009	Kash, Andre	AML	Web Based
1/2/2009	Kavanaugh, Paul J	AML	Web Based
10/14/2009	Kelly, James	AML	Web Based
3/10/2009	Kerrigan, John J	AML	Web Based
3/10/2009	Khalli, Omar	AML	Web Based
1/13/2009	Kling, Krystian J	AML	Web Based
10/6/2009	Koehn, Tobias C	AML	Web Based
8/11/2009	Koester, Carrie A	AML	Web Based
12/31/2008	Kopp, Robert H	AML	Web Based
8/14/2009	Kosacz, Gary R	AML	Web Based
1/27/2009	Kozak, Robert	AML	Web Based
3/23/2009	Kraja, Selo	AML	Web Based
10/28/2009	Krai, Herbert	AML	Web Based
10/15/2009	Kutz, Benjamin	AML	Web Based
5/19/2009	Lewandowski, Jeffrey	AML	Web Based
3/6/2009	Loftus, Colleen	AML	Web Based
7/27/2009	Loughlin, Steven F	AML	Web Based

Completion Date	Name	Course	Method
5/1/2009	Madden, Ronald A	AML	Web Based
3/10/2009	Mall, Neal B	AML	Web Based
3/11/2009	Mankad, Purvesh	AML	Web Based
1/9/2009	Marquez, Michael	AML	Web Based
12/31/2008	Marroquin, Noel	AML	Web Based
7/14/2009	Marsh, Shannon	AML	Web Based
8/12/2009	Martyniuk, Darlen	AML	Web Based
3/4/2009	Maslove, Daniel A	AML	Web Based
1/5/2009	McMullin, Daniel	AML	Web Based
8/12/2009	Malin, Mark	AML	Web Based
10/30/2009	Menjivar Beltran, Ricardo	AML	Web Based
10/7/2009	Miller, Paige C	AML	Web Based
10/8/2009	Miranda, Mauricio J	AML	Web Based
3/12/2009	Molina, Martin	AML	Web Based
10/6/2009	Moran, Paul J	AML	Web Based
3/9/2009	Morgan, Misty	AML	Web Based
1/8/2009	Muivhill, Robert	AML	Web Based
11/3/2009	Murphy, Amanda	AML	Web Based
3/10/2009	Nathan, Marc	AML	Web Based
7/10/2009	Nazarof, Erich	AML	Web Based
5/14/2009	Near, Mark J	AML	Web Based
1/5/2009	Nelligan, Terence	AML	Web Based
3/25/2009	Nemenoff, Marc J	AML	Web Based
1/9/2009	Oconnell, James L	AML	Web Based
10/18/2009	Odonnell, William G	AML	Web Based
7/24/2009	Palice, Mike	AML	Web Based
2/6/2009	Paoletti, Christopher	AML	Web Based
6/2/2009	Park, Robert C	AML	Web Based
3/18/2009	Parks, Aaron	AML	Web Based
10/16/2009	Paulus, Julian	AML	Web Based
10/19/2009	Petersen, Grant	AML	Web Based
10/15/2009	Peterson, Courtney	AML	Web Based
11/10/2009	Peterson, Ryan	AML	Web Based
7/13/2009	Rantala, Michelle	AML	Web Based
10/8/2009	Reitz, Josh	AML	Web Based
9/29/2009	Reynolds, Matthew T	AML	Web Based

Completion Date	Name	Course	Method
5/1/2009	Ring, Scott	AML	Web Based
3/6/2009	Rosenberg, Robin J	AML	Web Based
3/9/2009	Rosenberg, Kevin	AML	Web Based
3/9/2009	Roy, Stephen T	AML	Web Based
7/10/2009	Roy, Jeffrey	AML	Web Based
3/9/2009	Rue, Ronald	AML	Web Based
11/5/2009	Schiff, Nolan	AML	Web Based
1/6/2009	Schweder, Zachary	AML	Web Based
3/9/2009	Sheehan, David	AML	Web Based
7/14/2009	Shelton, Matthew A	AML	Web Based
7/20/2009	Short, Robert	AML	Web Based
7/22/2009	Sigaev, Val	AML	Web Based
6/11/2009	Siaga, Joseph	AML	Web Based
10/29/2009	Slater, Thomas	AML	Web Based
3/3/2009	Snow, Martin K	AML	Web Based
3/6/2009	Soper, Mark J	AML	Web Based
7/27/2009	Steel, Patrick	AML	Web Based
10/7/2009	Stepanek, Debra	AML	Web Based
5/22/2009	Stettner, Christopher	AML	Web Based
10/20/2009	Swarens, Wendy	AML	Web Based
10/23/2009	Tanner, Russell	AML	Web Based
3/4/2009	Telesca, Mogar	AML	Web Based
7/10/2009	Thomas, Peter A	AML	Web Based
3/27/2009	Thurston, Bryan	AML	Web Based
3/9/2009	Tice, John	AML	Web Based
3/11/2009	Vartanian, Joseph	AML	Web Based
10/15/2009	Voit, Erik	AML	Web Based
6/4/2009	Vukosavljevic, Jovanka	AML	Web Based
11/4/2009	Wagaman, Curtis L	AML	Web Based
8/20/2009	Weber, Darrol T	AML	Web Based
3/5/2009	Weinsheink, Eric A	AML	Web Based
11/5/2009	Weish, John J	AML	Web Based
11/12/2009	Weyer, John	AML	Web Based
7/16/2009	Widner, Laela R	AML	Web Based
10/26/2009	Wieskamp, Hayley	AML	Web Based
7/16/2009	Wilkinson, Tammy	AML	Web Based

<b>Completion Date</b>	<b>Name</b>	<b>Course</b>	<b>Method</b>
10/14/2009	Wittenburg, Nicholas D	AML	Web Based
10/6/2009	Yaksich, Richard	AML	Web Based
7/13/2009	Yakub, Fazie	AML	Web Based
8/14/2009	Zelkin, Marvin H	AML	Web Based

COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

**Insert 9**

## EXHIBIT C

INSERT 9



618 Kenmoor Ave, SE Grand Rapids MI 49546

616 956 9273	800 465 4373	616 956 6429
INTERNATIONAL	TOLL FREE	FAX

**ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES**

This describes the anti-money laundering policies, procedures and internal controls for Global Futures and Forex Ltd:

**POLICY STATEMENT:**

Money laundering takes place when funds from an illegal/criminal activity are moved through the financial system in such a way as to make it appear that the funds have come from legitimate sources. Money laundering usually follows three stages. First, cash or cash equivalents are placed into the financial system. Second, the money is transferred or moved to other accounts e.g., futures or forex accounts, through a series of financial transactions designed to obscure the origin of the money, e.g., executing trades with little or no financial risk or transferring account balances to other accounts. Finally, the funds are reintroduced into the economy so that the funds appear to have come from legitimate sources, e.g., closing a futures or forex account and transferring the funds to a bank account. Trading accounts that are carried or introduced by the Firm are one vehicle that can be used to launder illicit funds. In particular, a trading account could be used to execute financial transactions that help obscure the origin of the funds. The Firm is committed to preventing money laundering through illegal or inappropriate use of its business operation. The Firm has established procedures and controls in place to enable personnel to recognize suspicious customers and transactions. All appropriate employees are trained to ensure against money laundering and report suspicious cases. Employees are aware that they have a responsibility to strictly abide by the Firm's written anti-money laundering procedures and failure to follow these procedures may result in immediate termination and civil or criminal penalties. The Firm is committed to striving to prevent fraud, as well as to preventing the use of its facilities to ease the funding of terrorist activities.

GFF world headquarters, located in Ada, Michigan USA, is responsible for AML training of all employees of GFF at all locations worldwide. Employees of GFT Global Markets UK Ltd, and GFT Global Markets Asia Pte. Ltd. will take the same online training although not required by NFA regulations.

All US locations, as well as Japan and Sydney, will be monitored and audited by headquarters. AML requirements specific to Australia can be found in Appendix 1 attached to section XV.

GFT Global Markets UK Ltd, independently adheres to AML policies as regulated by the Financial Services Authority (FSA) and our GFT Global Markets Asia Pte. Ltd. office will adhere to AML policies as established by the Monetary Authority of Singapore (MAS). Both the UK and Singapore office will audit their AML policy annually and submit results of that audit annually to headquarters for recordkeeping.

**PROCEDURES:****I. SUPERVISORY SYSTEM**

- A. An Anti-Money Laundering ("AML") Compliance Officer ("CO") has been appointed for the Firm: LuAnne Bleiler.
- B. The AML CO shall develop, implement and monitor the Firm's AML policies and procedures.
- C. The AML CO shall require an annual audit to ensure compliance with the Firm's AML program.
- D. The AML CO will receive and spot check monthly computer reports of all transactions in excess of \$15,000 in and out of customer accounts as well as all accounts that are classified as high risk.
  1. The AML CO or designee shall review such reports for suspicious activity.
  2. Such review shall be evidenced by the AML CO's initials on such reports.
  3. Reviewed reports shall be retained for seven years and kept readily accessible for two years in AML compliance files.
- E. All associated persons ("APs"), branch managers and personnel with access to customer funds, and any other personnel who handle customer orders or new accounts, will participate in AML training when hired and on an annual basis.
  1. Training may be in person or in writing. Training shall consist of a review of these policies and procedures, relevant federal laws and AML requirements of National Futures Association ("NFA").
  2. Appropriate records of such training will be maintained by the compliance department as well as by our training company, Exchange Analytics. Such records will be retained for seven years but will be readily accessible for two years.
  3. Continuing as needed training will be provided to employees on:
    - a. legal and regulatory developments;
    - b. company policies and procedures; and
    - c. feedback and input on critical issues from areas such as compliance and legal, internal audit, trading, and operations.
- F. Background checks on all employees to screen for criminal or disciplinary histories will be conducted prior to hiring.
- G. A yearly audit will take place to test the AML program either by a knowledgeable, qualified independent person with expertise in this type of audit or by a staff member of the Firm who is not involved in the anti-money laundering program.
- H. The audit function should test all affected areas to ensure that personnel understand and are complying with the anti-money laundering policies and procedures, and that the policies and procedures are adequate. The results of the audit shall be documented and reported to senior management, and follow-up should be conducted to ensure that any deficiencies are addressed and corrected. A record of this audit will be kept on file for seven years and readily available for two years.

## II. NEW ACCOUNT POLICIES AND PROCEDURES

## A. Customer Identification Program:

1. Prior to opening an account, the following identifying information will be obtained from each customer:
  - a. Name
  - a) Date of birth
  - b) Address
  - a) For an individual, a residential or business street address unless the individual does not have a residential or business street address, in which case the individual must provide an Army Post Office ("APO") or Fleet Post Office ("FPO") box number, or the residential or business street address of a next of kin or other contact individual.
  - b) For a person other than an individual (such as a corporation, limited liability company, partnership or trust), a principal place of business, local office or other physical location.
  - c) All Photo IDs have to be current at the time of identity or address verification. All other document providing the proof of physical address need to be dated within 90 days of its issue. Firm reserves the right to accept documentation up to 180 days old on the case by case basis.
  - c) Identification Number
    - For a U.S. person, a social security number or a taxpayer identification number.
    - For a non-U.S. person, one or more of the following: a taxpayer identification number, a passport number and country of issuance, an alien identification card number, or the number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard. If a foreign business or enterprise does not have a taxpayer identification number, alternative government-issued documentation certifying the existence of the business or enterprise will be requested.
    - As an exception to the policy of obtaining a taxpayer identification number before opening an account, an account may be opened for a customer who has applied for, but not received, a taxpayer identification number. Such a customer will be required to provide a copy of the application for a taxpayer identification number before the account is opened, and will be required to provide confirmation that the number has been applied for by facsimile. The customer must then provide a taxpayer identification number to the Firm within two weeks of account opening, or the account will be subject to being closed.
- (g) The Firm will attempt to verify the identity of each customer before opening the account, as follows:
  1. The Firm will attempt to verify the identity of each customer either through various online third party credit reporting agencies such as (but not limited to) URU, Accurint or Experian, or the firm will use the following documentary methods:
    - For an individual residing outside of the U.S., a government-issued identification evidencing nationality or residence and bearing a photograph or similar safeguard, such as a driver's license or passport. A utility or other bill may be used to verify an address. All those forms of identification have to be unexpired or dated within 90 days of its issue. Firm reserves the right to accept documentation up to 180 days old on the case by case basis.
    - For a person other than an individual (such as a corporation, limited liability company, partnership or trust) located outside of the U.S., documents showing the existence of the entity, such as certified articles of incorporation or organization, a government issued good standing certificate, a government issued business license, a partnership agreement, trust instrument or trustee certification form.
    - Verification of identity will be recorded on the form shown in "Exhibit A"
  2. To the extent verification of identity cannot be made by documentary methods, the Firm will attempt to verify the identity of the customer through the following non-documentary methods:
    - Non-documentary methods will be used where the customer seeks to open an account without appearing in person at the Firm's office, and: an individual is unable to present an unexpired government-issued identification document that bears a photograph or similar safeguard; the Firm is not familiar with the documents presented; the customer seeks to open an account without providing documents; or when the Firm is otherwise presented with circumstances that increase the risk that the Firm will be unable to verify the true identity of the customer through documents.
    - Non-documentary methods may include checking references with other financial institutions or obtaining a financial statement.
  2. If the Firm is unable to verify the true identity of a customer that is not an individual using documentary and non-documentary methods, the Firm will obtain information about the individuals with authority or control over the account to verify the customer's identity. Such information may include identity information for the entity's officers and controlling persons. The Firm will undertake a risk-based analysis to determine whether such information as it is able to obtain is sufficient to verify the customer's true identity.
  3. Additionally, for Corporate, Partnership, LLC, and Trust Accounts, the Firm will request information on all Beneficial Owners, individuals who have a direct or indirect ownership interest of 25% or more, Authorized Signers, and Controllers of the entity. (Beneficial Owner Form Exhibit E and Trustee Certification Form Exhibit F). The Firm will conduct address and identity verification checks on all individuals listed above. In cases where a Beneficial Owner, Authorized Signer, or Controller is an entity, GFT will continue to request information as described above, until all individuals associated with the entity are identified.
  4. The Firm's procedure will be as follows when it cannot form a reasonable belief that it knows the true identity of customer:
    - a. If identity cannot be verified and the Firm has not received reasonable assurances from the customer or other source that information needed to verify identity will be forthcoming promptly, an account will not be opened for the customer.

- b. If the Firm has received reasonable assurances from the customer or other source that information needed to verify identity will be forthcoming promptly, the Firm may open the account and allow transactions to be made pending verification.
- c. If the Firm opens an account without verification of the customer's identity and the additional information obtained after account opening is insufficient to verify identity, or if verification cannot be made within two weeks of account opening, the account will be subject to being closed.
- d. If verification cannot be made and the circumstances surrounding the failure of verification demonstrate any of the characteristics for suspicious activity reporting that are contained elsewhere in these procedures, the Firm will file a Suspicious Activity Report ("SAR") (See Section III) and a Suspicious Matter Report (if the customer is located in Australia or a customer of an Australian sales specialist).
5. Information concerning customer identification will be maintained as follows for each customer:
  - a. Identifying information for a customer will be retained in the customer's account file.
  - b. During the new account opening process, a form (Exhibit A, attached) will be completed for each customer showing the following:
    - Description of any document relied on to verify identity through documentary methods, including any identification number on the document, the place of issuance, and if any, the date of issuance and expiration date.
    - Description of any non-documentary or additional methods undertaken to verify the identity of a customer.
    - Description of the resolution of each substantive discrepancy discovered when verifying the identity through information that was obtained.
  - c. The records shall be readily accessible for two years after they are made, and shall be maintained for seven years after the account is closed.
6. The Firm will post the following notice on its website in the section(s) pertaining to opening a new account, and will also include the notice in its Disclosure Document:  
Important Information about Procedures for Opening a New Account.  
 To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.
7. The Firm will not rely on other financial institutions to perform any procedures required by this customer identification program, except a futures commission merchant to which the Firm introduces fully disclosed regulated futures and/or options accounts. The Firm shall rely on such other futures commission merchant only if the Firm first obtains a contract in which the other futures commission merchant acknowledges that it has implemented its anti-money laundering program and agrees that it will perform specified requirements of these procedures.

#### ADDITIONAL PROCESS FOR OPENING JAPANESE ACCOUNTS

- C.
- A. Before a Japanese account will be open, the account must be checked against the Nikkei Telcom database for possible illegal activity. Positive hits will be reviewed by Compliance to determine whether or not the account can be opened.
- B. The Japanese office will email the customer their password and mail the login name via to the address provided and verified on the application.
- C. For FSA privacy regulations, GFT will remove all information pertaining to birthplace..
- D.
- B. Evaluation of Accounts:
  1. It shall be the policy of the Firm to perform Know Your Customer ("KYC") procedures on each new account. The extent of the procedures to be performed for any given account shall be apportioned in accordance with a risk-based analysis (that is, more attention will be paid to accounts which represent a greater risk to the Firm, whether because of their monetary value, geographic point of origin, or other factors). APs and New Accounts personnel shall, to the extent possible, obtain all requested information on account opening documents, including name, address, occupation, nature of business, and purpose of trading.  
 monitored by the Compliance Department (See Section I. H.). FATF Non-Cooperative Countries and Territories ("NCCTs") can be found at:  
[http://www.fatf-gafi.org/document/11/0,3343,en\\_32250379\\_32236836\\_43898507\\_1\\_1\\_1\\_1,00.html](http://www.fatf-gafi.org/document/11/0,3343,en_32250379_32236836_43898507_1_1_1_1,00.html)
  3. Accounts where the customer is a resident of an OFAC country shall be rejected. OFAC sanctioned countries are listed at: <http://www.ustreas.gov/offices/enforcement/ofac/programs/>.
    - a) If a customer is a citizen of a sanctioned country, the firm will take the account as long as the customer is no longer permanently residing in the OFAC country. Citizens of Cuba will only be opened if they are residing in the United States. No additional documentation will be required. Verification of address will suffice as proof of residency.
    - b) SDN List. If an individual is listed on the SDN list, we cannot accept, regardless of citizenship or residency and the risk management team will report the account immediately to federal law enforcement.
    - c) Source of Funds. If the funds are originating from a bank in an OFAC country, the account will be declined.
    - d) Corporate Accounts. This policy is for individual accounts only. Corporate accounts that were originally organized or incorporated in an OFAC country and are now physically located in a non-OFAC country will not be accepted.

Once the account is open, the customer will be placed into a high risk group for monthly review and monitoring by Risk Management.

- a) Compliance will audit trading activity with spot checks to confirm that the IP address of transactions is not originating from an OFAC country.
- b) Deposit and withdrawal history will be monitored for suspicious patterns. Specifically, funds originating from an off-shore or country other than the resident country will be reviewed.
- c) If a citizen of an OFAC country has in individual account with GFF and is also an RP or a POA holder, all of their related accounts, regardless of location, will be placed in the high risk group for review.
5. Before accepting any account, the Firm will also check the account name against the list of known or suspected terrorists and terrorist organizations published in Executive Order 13224 by OFAC and the OFAC list of Specially Designated Nationals and Blocked Persons at <http://www.treas.gov/ofac>. If the prospective customer's name is on a list, the account will not be opened, and the Firm's AML CO shall immediately report the matter to federal law enforcement authorities.
6. All Corporate, Partnership, LLC or Trust accounts where a Beneficial Owner, Authorized Signer, or Controller of the organization is an entity will undergo enhanced due diligence by the risk management team prior to opening the account.
7. In deciding whether to accept a particular new account, the Firm may consider the following factors:
  - a) Whether the applicant is an individual, an intermediary, a corporation or other entity, a financial institution, or a regulated person or entity;
  - b) Whether the applicant is already a customer of the Firm;
  - c) How the applicant contacted the Firm;
  - d) Whether the business of the applicant or the type of account the applicant seeks is such as to be more likely to be involved in illicit activity (e.g., a business which involves a great deal of cash);
  - e) Whether or not the applicant is a congregation, charity, or non-profit organization
    - GFF will not accept accounts for a congregation, charity, or non-profit organization
    - The only exception to this policy will be in the following situation:
      1. The purpose for opening the account is for diversification purposes as part of an investment portfolio with an allocation strategy calling for exposure to the forex markets
      2. The account must be traded by a registered CTA
  - f) If the applicant is a financial intermediary, a financial institution acting on behalf of third party customers, the following procedures apply:
    - Foreign financial intermediaries must provide an opinion of legal counsel admitted to practice in the applicant's geographic location. This legal opinion must describe the nature of the intermediary's business, state which laws apply to the business, including what anti-money laundering laws apply and describe their application and whether the intermediary is complying with these regulatory laws and registration requirements or operating pursuant to an exemption.
    - U.S. financial intermediaries must be registered as a Commodity Pool Operator, Omnibus Futures Commission Merchant ("FCM"), Investment Company or otherwise have proper registration to do business as a financial intermediary, or provide a legal opinion stating that the financial intermediary is operating pursuant to an exemption.
    - Duly registered financial intermediary entities must provide proof of registration and good standing with the relevant governmental and self regulatory agency.
    - All domestic financial intermediary entities must provide a current financial statement, which will be used to determine that there are enough assets to cover the entity's trading and that the financial intermediary is financially sound.
    - If the financial intermediary does not have a financial statement or other applicable information or has not provided information the Firm deems appropriate to meet its obligations under prevailing law, the Firm will not accept the account. Additionally, for all foreign and domestic financial intermediaries, if it is a Commodity Pool Operator or Investment Company, a copy of the entity's prospectus will be required.
    - Before accepting an intermediated account, such as an omnibus account, a commodity pool account, or an account for another collective investment vehicle, the Firm's AML CO will analyze the money laundering risks posed by the account. Based on this analysis, the anti-money laundering compliance officer will determine whether or not to conduct additional due diligence with respect to the underlying participants or beneficiaries.
    - Before accepting an account that is in turn introduced or referred by a regulated intermediary located in a foreign jurisdiction, the Firm's AML CO will analyze whether and to what extent the Firm can rely on the foreign intermediary's due diligence with respect to its customer. Factors to be considered in making this determination are (a) whether the foreign intermediary is located in a member country of the FATF (A list of member countries can be found at <http://www1.oecd.org/fatf/>); (b) the Firm's historical experience with the foreign intermediary; and (c) the intermediary's reputation.
    - Note: Each circumstance must be evaluated on its own merits and will drive the decision to accept or deny the account.
  - g) The Firm shall not establish, maintain, administer or manage an account for, or on behalf of, a foreign "shell bank," which is a foreign bank that does not have a physical presence in any country. In addition, the Firm shall take reasonable steps to ensure that any account established, maintained, administered or managed by the Firm in the United States for a foreign bank is not being used by that foreign bank to indirectly provide banking services to another foreign bank that does not have a physical presence in any country. In order to comply with these requirements, the Firm will obtain for every account opened by a foreign bank a certification in the form of Exhibit

D. If the foreign bank checks box 1(a), 1(b) or 2(a) on the certification, the account may be opened. If the foreign bank chooses 1(c) and/or 2(b), the account cannot be opened. For accounts which are opened, the certification must be obtained at least once every three years. If, however, the Firm knows or suspects that the information in the certification is no longer true, the Firm will ask the foreign bank for a recertification. If the foreign bank checks box 1(c) on the certification, the account may not be opened.

8. Compliance will conduct a search on all customer accounts monthly to identify potential PEP accounts by nature of business. All PEP accounts placed in the PEP watch group and monitored monthly for deposit, withdrawal, and trading activity

Accounting policies and procedures for customer accounts include:

1. Cash or cash equivalents (e.g., cashier's checks, money orders, traveler's checks, etc.) will not be accepted to fund any account.
2. Wire transfers will be accepted for Forex and Futures accounts provided that the name on the wire matches the name on the customer account at the firm.
3. Deposits will not be accepted from Unacceptable (OFAC) Countries. OFAC sanctioned countries and persons are listed at: <http://www.us-treas.gov/offices/enforcement/ofac/programs/>
4. Only be accept under the guidelines listed under Financial and Operational Policies and Procedures..
5. Credit Card deposits will be accepted for forex accounts only under the following guidelines:
6. The firm accepts the following credits cards: MasterCard, Visa, American Express, and Discover Card.
  - a) Only debit cards secured by MasterCard and Visa will be accepted.
  - b) Credit Card deposits must come from the GFT account holder and will verified though a 3<sup>rd</sup> Party Credit Card Processor or hard copy documentation sent to GFT. No third-party deposits will be accepted
  - c) For 60 days after deposit via credit card, the amount of the deposit may be withdrawn only by means of a credit back to the same credit card used for deposit. After 60 days, the customer can receive the money back via check or wire via the firm's funds request form.
  - d) Corporate credit cards will not be accepted.
57. E-checks are also accepted for forex accounts provided that the name on the e-check matches the name on the firm's account
8. Verified PayPal deposits will be accepted.

### III. REPORTING REQUIREMENTS

A. SAR requirements: Pursuant to the USA PATRIOT Act passed in 2001, FCMs are subject to SAR reporting requirements:

1. The firm's procedures include filing a Suspicious Activity Report by the Securities and Futures Industries ("SAR-SF) form for suspicious transactions that are conducted or attempted by, at, or through the firm, that involve an aggregate of at least \$5,000 in funds or other assets (not limited to currency) within the required time period (i.e. within 30 days after the firm becomes aware of a suspicious transaction or if identity of suspect is unknown, an additional 30 days in order to identify suspect) with FinCEN when the firm knows, suspects or has reason to suspect that the transaction (or pattern of transactions):
  - Involves funds that come from illegal activity or are part of a transaction designed to conceal that the funds are from illegal activity;
  - Are designed, such as through structuring, to evade the reporting requirements of the BSA;
  - Do not appear to serve any business or apparent lawful purpose; or
  - Use the firm to facilitate a criminal transaction.
2. Suspicious activity may occur when an account is opened or at any time afterward.
3. Transactions must be viewed in the context of the other activity in the account, and the KYC information which has been received about the customer. Unusual transactions are those which appear to lack a reasonable economic basis or a recognizable strategy based on what the Firm knows about the account. Examples of suspicious activity may include:
  - a) Customer indicates unusual concern with the Firm's compliance with government reporting requirements, particularly with regard to his or her identity, type of business and assets, or is reluctant to or refuses to reveal any information concerning his business activities, or furnishes unusual or suspect identity or business documents;
  - b) Customer seeks to engage in transaction(s) lacking business sense, apparent investment strategy, or inconsistent with the customer's previously stated business or strategy;
  - c) Customer (or person associated with customer) has a questionable background or is the subject of news reports indicating possible criminal, civil or regulatory violations;
  - d) Customer appears to be acting as agent for another person or entity but declines, evades or is reluctant, with no apparent legitimate commercial reason, to provide any information in response to questions about that person or entity;
  - e) Customer has difficulty describing the nature of his or her business or lacks general knowledge of his or her industry.
  - f) Customer attempts to make frequent or large deposits of currency, insists on dealing only in cash or cash equivalents, or asks for exemptions from the Firm's policies relating to the deposit of cash and/or cash equivalents;
  - g) Customer engages in transactions over \$5,000 that appear to be structured to avoid government reporting requirements, especially if in amounts just below reporting or recording thresholds and/or sequentially numbered;
  - h) Customer engages in multiple transfers of funds or wire transfers to and from countries that are considered bank secrecy or tax havens and that have no apparent business purposes or are to or from countries listed by FATF and FinCEN as NCCTs, or are otherwise considered to be high risk;

- i) Customer's account has sudden extensive wire activity where previously there had been little or none, without any apparent business purpose;
- j) Customer makes a deposit of funds followed by an immediate request that the funds be wired out or transferred to a third party or another firm with no apparent business purpose;
- k) Customer makes a deposit of funds for purchasing a long-term investment followed shortly by a request to liquidate the position and transfer the proceeds;
- l) Customer has multiple accounts, with no apparent business purpose, and makes frequent inter-account or third-party transfers;
- m) Customer tries to engage in transfers between unrelated accounts with no apparent business purpose;
- n) Customer requests that a transaction be processed in such a way as to avoid the Firm's normal documentation requirements;
- o) Customer deposits and immediately requests disbursements of funds;
- p) Customer exhibits inappropriate lack of concern regarding risks or commissions and other transaction costs.
- q) Displays high level of curiosity about internal systems policies and controls;
- r) Engages in sudden withdrawal of funds or closes accounts (s) with subsequent wire transfers to foreign accounts;
- s) Repetitive round-denominations deposits or withdrawals
- t) Lifestyle inconsistent with known, legitimate sources of income or possesses large sums of money not consistent with known income sources
- u) Opening an account where several persons have no apparent familial or business relationship but are designated signature authority
- v) Use of multiple Post Office boxes or changes addresses frequently
- 4. APs and branch office managers, who are most familiar with their accounts, are the front line of AML activities and should be aware of unusual occurrences with their customers.
- 5. The firm's personnel should pay attention to funds movement in order to note suspicious or out of the ordinary activity.
- 6. Procedures for filing SAR:
  - a) Any individual who becomes aware of suspicious activity, of a type such as that set forth above, should immediately report his or her suspicions to his or her supervisor.
  - b) After considering the reported activity in relation to the nature of the account and the Firm's experience with it, the supervisor will review the suspicious activity, the account file, and the Firm's experience with the customer and determine whether to file an SAR.
    - SAR to be filed with FinCEN in Washington, D.C.
    - Copy of SAR to be maintained in AML Compliance file along with all supporting documents or records that assisted in making the determination that certain activity required a SAR filing
    - IT IS A VIOLATION OF FEDERAL LAW TO INFORM THE SUBJECT OF A SAR THAT SUCH A REPORT HAS BEEN FILED. ACCORDINGLY, UNDER NO CIRCUMSTANCES MAY SUCH INDIVIDUAL OR ENTITY BE INFORMED THAT AN SAR HAS BEEN CONSIDERED OR FILED.
  - c) SAR records shall be maintained for seven years from the date of creation.
  - d) If customer is an Australian customer, a SMR (Suspect Matter Report) will also be reported to Australian government within 14 days of when we are made aware of the incident.
- 7. Procedures for providing SAR supporting documentation to FinCEN, law enforcement agencies, and other regulatory organizations
  - a) Compliance will verify that the representative requesting SAR supporting documents is a representative of FinCEN or other appropriate agency by independent employment verification with the requestor's field office or face to face review of the requestor's credentials.
  - b) SAR records will be maintained by the compliance department and no other department will have access to these records.
  - c) The right to Financial Privacy Act does not apply when a copy of a SAR or SAR supporting documentation is provided to FinCEN or other appropriate agency.
  - d) If the firm has an account with suspicious or potential criminal activity, and law enforcement requests that the account be kept open, the firm will ask for a written request for the law enforcement agency. The request must come from a supervisory agent or by an attorney within a United States Attorney's Office or another office at the department of justice. If the request is made by a state or local law enforcement agency, the request should be from a supervisor or the state or local law enforcement agency or from an attorney from a state or local prosecutor's office. The request should indicate that the agency requested that the firm maintain the account and the purpose of the request. The request should also specify the duration of the request, not to exceed 6 months. The agency may issue subsequent requests for a longer duration.
- B. Compliance with biweekly 314(a) requests from FinCEN
  - 1. FinCEN, Department of the Treasury Financial Crimes Enforcement Network, periodically sends us a "USA Patriot Act Section 314(a) search request. If we identify activity that may relate to terrorist financing activity, we should also consider filing a SAR based on the requirements of 31 C.F.R. Part 103 and the SAR instructions.
  - 2. This search is completed by the deadline specified on the FinCEN request via their Secure Information Sharing System (SISS)
  - 3. Following is the process for the FinCEN search requests:  
Check all names in Salesforce
    - Check the 3rd Party Deposit Log. The Log is located on the Compliance Network Drive.
  - 4. If any names on the list match any the firm records, they are reported to the CO, and the CO reports them to FinCEN via their Secure Information Sharing System (SISS).
  - 5. Reports are saved on the Compliance Network Drive and retained for 7 years.

C. Compliance with ongoing monitoring of OFAC and FinCEN bulletins

In an ongoing basis, the firm will examine the updated OFAC and FinCEN bulletins against our existing customer databases and any necessary changes to the program will be implemented by the firm's Compliance department. This includes performing additional due diligence and closing accounts as necessary. In the event that a customer is located in a sanctioned country, on the OFAC or FinCEN bulletin, the firm will be responsible for contacting the US Treasury Department.

IV. FINANCIAL AND OPERATIONAL POLICIES AND PROCEDURES

A. It is the Firm's policy not to accept cash from customers. If a customer attempts to deposit cash, the Firm will instruct the customer to exchange it for an acceptable financial instrument payable to Global Futures & Forex Ltd. or Global Forex Trading (the firm). If a cash or cash equivalent deposit over \$10,000 is accepted in a rare case, a Form 8300 will be filed with the Internal Revenue Service.

B. In the event cash or a suspicious wire transfer is received into the Firm's bank account, the following procedures are to be followed. A suspicious wire transfer is one which is (i) structured so that a series of small wire transfers coming in for a particular account in the aggregate will add up to \$10,000 or more; (ii) in an amount that, historically, is unusual for the account; or (iii) coming from or going to a foreign bank located outside the U.S. which is not usually used by that client.

C. Normally the Firm does not accept third party deposits. The following exceptions apply if the funds are coming from an approved country (ones not on the following lists: OFAC or FATF) and the information and documents outlined below are provided for the initial third party deposit which will be kept on file. Subsequent deposits from the same person or entity into the same account will not require this paperwork each time:

No third party deposits will be accepted without prior approval of the Compliance Department or CFO. The types of third party deposits that may be permitted, if approved after obtaining documentation to establish the required relationship might include:

- same entity with different name such as individual and sole proprietorship or Single member LLC Corp/LLC and assumed or DBA name
- individual trustee depositing funds into account of revocable or family trust
- individual trustee who has made a transfer from a Super fund into his/her personal bank account then transferred this money to GFT to deposit into a Super fund account (bank statements showing the transfer must be provided)

Any third party deposits must be accompanied by our "Acknowledgement of Third Party Deposit" form completed and signed by the account holder and the third party acknowledging that funds will be sent from the account only in the name of the account holder. Additionally, identity and address verification matching the information provided on the acknowledgment form must be conducted on the third party depositor.

D. Deposits from Money Service Businesses

A money service business is defined as a (i) currency dealer or exchange, (ii) check casher, (iii) issuer, seller or redeemer of travelers checks, money orders or stored value, or (iv) money transmitter. A Money service business making deposits in customer accounts must be reviewed for AML under the following procedures in addition to normal customer identification procedures:

1. For U.S. based firms, check on Fincen registration
2. Confirm compliance with national, state or local licensing requirements
3. Confirm agent status if firm is an agent of another money service business
4. Assess risk in light of (a) products and services offered by the business, (b) locations and markets served by the business, (c) anticipated account activity, (d) purpose of the account

E. Transfers of \$3000 or more under the Joint and Travel Rule

When we transfer funds of \$3000 or more, we will record on the transmittal order at least the following information: the name and address of the transmitter and recipient, the amount of the transmittal order, the identity of the recipient's financial institution, and the account number of the recipient. The firm will also verify the identity of transmitters and recipients who are not established customers of the firm. (i.e., customers of the firm who have not previously maintained an account with us or for whom we have not obtained and maintained a file with the customer's name, address, taxpayer identification number, or, if none, alien identification number or passport number and country of issuance).

V. FOREIGN CORRESPONDENT ACCOUNTS

For accounts of banks described in paragraph 1.f (iv) of these procedures, the procedures will be effective February 5, 2008 for accounts established on or after February 5, 2008, and on May 5, 2008 for all accounts established before February 5, 2008. All other procedures became fully effective as of October 2, 2006

In addition to the AML procedures otherwise applicable to all accounts, the following additional procedures will apply to foreign correspondent and private banking accounts:

1. Correspondent Accounts

- a. Definition of correspondent account – a correspondent account is an account for a foreign financial institution to engage in futures or commodity options transactions, funds transfers or other financial transactions, including accounts for trading foreign currency and over-the-counter derivatives transactions, whether for the financial institution as principal or for its customers.
- b. Definition of foreign financial institution – a bank, broker-dealer, futures commission merchant, introducing broker, mutual fund, currency dealer or exchanger, or money transmitter which is either located in a foreign country or operating from a branch located in a foreign country.
- c. GFF will take a risk-based approach to AML for foreign correspondent accounts by assessing the money laundering risk presented by each such correspondent account, based on a consideration of all relevant factors, which shall include, as appropriate:
  - (i) The nature of the foreign financial institution's business and the markets it serves;

- (ii) The type, purpose, and anticipated activity of such correspondent account;
  - (iii) The nature and duration of the GFF's relationship with the foreign financial institution (and any of its affiliates);
  - (iv) The anti-money laundering and supervisory regime of the jurisdiction that issued the charter or license to the foreign financial institution, and, to the extent that information regarding such jurisdiction is reasonably available, of the jurisdiction in which any company that is an owner of the foreign financial institution is incorporated or chartered; and
  - (v) Information known or reasonably available to GFF about the foreign financial institution's anti-money laundering record.
- d. GFF will determine from this risk-based assessment if enhanced due diligence procedures are warranted. If so, GFF will apply the following enhanced procedures upon opening the account and on an ongoing basis with periodic account reviews:
- (i) At the time of account opening, GFF will request information from the account concerning the type, purpose and anticipated activity of the account.
  - (ii) At the end of each calendar quarter, GFF will review the account activity to determine consistency with the information obtained about the type, purpose and anticipated activity of the account. Compliance will review and print the Account History Report for each account and Dealing will check the trading transactions for any suspicious activity (i.e. wash trades, paying the spread, etc.).
- e. If the required due diligence procedures cannot be performed on a foreign correspondent account due to lack of information or lack of cooperation from the foreign correspondent account, GFF will take one or more of the following actions: (1) refuse to open a new account, (2) suspend transaction activity in an account that is already open, (3) close an account that is already open, (4) file a suspicious activity report. An account that has not yet been opened shall not be opened if the required due diligence procedures cannot be performed. An open account shall have its transaction activity suspended if it appears that the required due diligence procedures cannot be performed immediately, but may be able to be performed at a later date. An open account shall be closed if it appears that due diligence procedures may not be able to be performed at any time in the future. A suspicious activity report will be filed if circumstances exist which would otherwise justify a suspicious activity report under general AML procedures, or if it appears that the reason why due diligence procedures cannot be performed may be that the foreign financial institution is engaged in money laundering activity.
- f. Applicability to Certain Types of Foreign Accounts
- (i) Omnibus accounts. An omnibus account for a foreign financial institution will be subject to these procedures. Introducing brokers and referring parties. These procedures apply to accounts in the name of foreign introducing brokers and referring parties. A foreign introducing broker or referring party which merely solicits accounts or orders is not subject to these procedures for those accounts. If a foreign introducing broker's or referring party's activities include services beyond solicitation, such as administering or managing an account for a foreign financial institution, then both the account customer, and the introducing broker or referring party, will be subject to these procedures.
  - (iii) Give-up arrangements. In a give-up arrangement, the due diligence procedures must be performed by the carrying broker or dealer. GFF does not currently execute orders in give-up arrangements and has no intention to do so, but may act as a carrying or prime broker or dealer in give-up arrangements. These procedures apply to such carrying or prime broker or dealer relationships with accounts of foreign financial institutions.
  - (iv) Certain foreign bank accounts. Accounts will not be approved for banks which satisfy any one of the following criteria: (a) the bank operates under a license which prohibits it from conducting banking activities with the citizens of, or in the local currency of, the jurisdiction that issued the license, (b) the bank operates under a license issued by a foreign country that is on the Financial Action Task Force's non-cooperative countries list, or (c) the bank operates under a license issued by a country designated by the Secretary of the Treasury as being of primary money laundering concern under section 311 of the USA Patriot Act.  
[http://www.fincen.gov/reg\\_section311.html](http://www.fincen.gov/reg_section311.html)
- Additionally, before accepting funds from a foreign bank account, the Firm will obtain information, as appropriate, about identity of any persons with authority to direct transactions through any correspondent account that is a "payable-through" account, as well as source and beneficial owner of funds in a "payable-through" account.
- g. In implementing these procedures, GFF will use the form "Enhanced Due Diligence Procedures for Foreign Correspondent Accounts." (Exhibit B) and the customer will be required to complete the Foreign Correspondent Account questionnaire. (Exhibit C)
2. Private Banking Account.
- a. Definition – a private banking account is an account (or combination of accounts) that (1) requires a minimum aggregate deposit of funds or other assets of not less than \$1,000,000; (2) is established on behalf of or for the benefit of one or more non-U.S. persons who are direct or beneficial owners of the account; and (3) is assigned to, or administered or managed by, in whole or in part, an officer, employee or agent of GFF acting as a liaison between GFF and the direct or beneficial owner of the account.
  - b. GFF does not currently offer private banking accounts and has no intention to offer such accounts in the future. If GFF should in the future offer such accounts, it will develop the required due diligence procedures before doing so.
  - c. If GFF suspects that an current or prospective account is a Private Banking account, it will be escalated to the CO for further review. If deemed to be a Private Banking account, the account will be closed. If the account is not yet opened, it will be rejected.

In implementing these procedures, In addition to Exhibits B and C, GFF will use the following form for Private Banking Accounts". (Exhibit D)

## **APPENDIX 1**

### **AUSTRALIAN ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING PROGRAM**

Effective Date: December 12<sup>th</sup>, 2009

Contact Details: LuAnne Bleiler  
AML Compliance Officer  
Global Futures & Forex Limited  
trading as Global Forex Trading (GFF)

#### **AUSTRALIAN AML/CTF PROGRAM - BACKGROUND**

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  - 2.2 Safe Harbour procedure for individuals
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- 3 Responding to Discrepancies

#### **AUSTRALIAN AML/CTF PROGRAM - BACKGROUND**

##### **Context**

The Australian *Anti-Money Laundering and Counter-Terrorism Financing Act* 2006 (the Australian Act) imposes an obligation on GFF to develop and implement an Australian AML/CTF program consisting of two parts, set out in this document:

##### **Part A (General)**

Designed to identify, mitigate and manage the risk that GFF may reasonably face that the provision of its services might facilitate an act of money laundering or the financing of terrorism.

##### **Part B (Customer identification)**

Sets out the applicable customer identification procedures GFF will adopt in furtherance of the Part A objective.

This Appendix to GFF's FCM Manual section XV, Anti-Money Laundering, has been developed to meet the Australian requirements including the form requirements for documenting an AML/CTF Program. Accordingly, this Appendix supplements GFF's Part XV-Anti Money Laundering Policies and Procedures and applies only to the Australian operations of GFF. This AML/CTF Program includes those parts of the Main Policy that are specifically referenced in it.

**How GFF is regulated under the Australian AML/CTF Laws**

An organisation is subject to the Australian Act only to the extent it provides a "designated service". The Act defines various designated services, which are perceived to give rise to opportunities for money laundering and terrorism financing.

The key obligation under the Australian Act is to assist the Australian AML/CTF regulator, Australian Transaction Reports & Analysis Centre (**Austrac**) in its financial intelligence operations by giving it information in reports. Accordingly, an organisation that is subject to the Australian Act is a "reporting entity".

Issuing securities in the course of a securities business constitutes a designated service under item 35 of the table of financial services in section 6 of the Australian Act, so GFF's issue of derivatives is a 'designated service'.

**Risk based approach****Initial risk assessment**

GFF has conducted an initial assessment of the risks that its provision of services may facilitate money laundering/terrorism financing (ML/TF). In doing so it has considered its customer types, its products and distribution channels and the jurisdiction in which it provides services. [Rule 8.1.4]

This risk assessment and outcomes are more fully documented in the AML/CTF Risk Ranking Matrix settled on November 30<sup>th</sup>, 2008 and the document titled "Process for Risk Identification and Assessment" prepared with the assistance of Henry Davis York.

[The conclusions drawn from this review are:

most of GFF's services are provided in a low to medium risk environment;  
occasionally the presence of a significant risk factor, such as dealing with a politically-exposed person, accounts from Citizens/Residents or OFAC sanctioned countries will result in a higher risk context;  
and  
occasionally a concentration of upper middle risk factors (such as a liquid fund, a client that is a multi-layered corporate or trust and overseas connections) will also result in a higher composite risk.

GFF has determined that it will not proceed with business in cases of high ML/TF risk.

This AML/CTF Program is based on that risk assessment, with areas identified as higher in ML/TF risk receiving priority and a higher allocation of available resources. It identifies and references the procedures and systems to be used by the business to manage GFF's ML/TF risks.

**Risk review**

GFF will review its risk assessment and revise this Program as described more fully in section 3 (change control) and section 4 (independent review and revision) of the Part A Program.

**Compliance risk**

This AML/CTF Program is designed to reduce both the inherent risk of ML/TF activities being facilitated by the business, but also to reduce the risk of non-compliance by the business with the requirements of the Australian Act, in particular through:

the AML/CTF risk awareness training referenced in section 3.3  
the disciplinary procedures referenced in section 3.4  
the AML/CTF breach register referenced in section 3.1.

**Outsourcing**

Where any function that impacts on the ML/TF risk of the business is outsourced, ML/TF risk-based due diligence will be undertaken in respect of the outsourced service provider.

The extent of the due diligence will depend on:

the nature, size and complexity of the outsourced services, of themselves and relative to the businesses of each of GFF and the outsource service provider [Rule 8.1.3 (1)];  
the processes being outsourced, the affected products and the inherent ML/TF risk involved in this outsourcing [Rule 8.1.3 (2)];  
where a task required to be performed for compliance with AML/CTF laws is being outsourced (such as initial customer identification), consistency of the outsource's AML/CTF procedures with this AML/CTF Program.

The due diligence will include, at a minimum:

an investigation of the qualifications and experience of the outsource provider in providing the service consistently with international or national AML/CTF laws  
the consistency of the outsource's systems and processes for providing the outsourced service with this AML/CTF Program and the AML/CTF Rules.

**Other obligations of GFF under the new AML/CTF Laws**

In addition to the obligations that must be reflected in an AML/CTF Program, GFF has the following obligations under the Act:

- Identification of a customer consists of obtaining KYC information (e.g. including name, date of birth and residential address for an individual customer).
- Verification consists of confirming these details against independent documents/databases. Together these components (identification and verification) are referred to somewhat confusingly in the Australian Act as the "customer identification procedure" (CIP).

Part B of GFF's AML/CTF Program addresses CIP.

#### **Reporting to the Australian regulator AUSTRAC**

GFF must make reports to Austrac of:

Suspicious matters

Where GFF forms a suspicion on reasonable grounds that:

- any of the designated services it provides or proposes to provide to a customer relate to the financing of terrorism, it must report this within 24 hours
- the customer is not who they say they are or that there is a breach of any applicable laws, GFF must report this within three business days.

The circumstances that are considered suspicious are contained GFF's Main Policy. In addition to these circumstances, GFF will also consider:

- matters which appear to be suspicious in relation to possible acts of terrorism financing as potentially reportable to AUSTRAC; and
  - whether matters are suspicious irrespective of whether they involve:
    - \$5,000 or more (as set out in the Main Policy)
    - a lesser amount
    - no amount at all - e.g. suspicious inquiry.
- The processes for suspicious matter reports are as for SAR reports under in the Main Policy except that:
- the report will be made to Austrac and references to "FinCEN" will be read as "Austrac (and FinCen as applicable)".
  - it is an offence to tell anyone (not just the subject of the report) that the report has been made.

Threshold transactions

If GFF provides a designated service to a customer that involves the customer transferring physical currency (i.e. coin and printed money) of AUD10,000 or more, a threshold transaction report must be made, within 10 business days of the transaction.

Periodic compliance

Periodic compliance reports must be given to Austrac in the form required by Austrac. This is expected to be required annually by end March for each previous calendar year.

#### **Record keeping**

GFF must keep for 7 years from the date of the transaction:

- any *record* it makes (such as transaction information - date, currency, amount) relating to the provision of a designated service as part of that GFF must keep for 7 years from the end of its relationship with the customer,
- any *document* provided by its customer relating to the provision of a designated service,
- the customer identification process (CIP) followed for the customer; and
- information obtained from the CIP.

Record keeping of CIP information will be in accordance with GFF's Main Policy.

### **AML/CTF PROGRAM - PART A (GENERAL)**

#### **1 Ownership of AML/CTF Program**

##### **Development and Guardianship**

This AML/CTF Program has been developed by GFF's Legal and Compliance department with the assistance of its Australian external lawyers, Henry Davis York.

In determining what risk-based procedures to include in this AML/CTF Program (Part A or B) and the content of those procedures, GFF will always consider the ML/TF risk relevant to the provision of the affected services. [Rule 8.1.6]

Guardianship of this AML/CTF Program document rests with GFF's AML Compliance Officer.

##### **Board and management oversight [Rule 8.4]**

It is a requirement under the AML rules that this AML/CTF Program Part A be approved and subject to ongoing oversight by the Board of Directors and senior management.

This AML/CTF Program - Part A was submitted to the GFF on December 1, 2009 and approved.

GFF will report to senior management and GFF's Board (Gary Tiikin) as on developments relevant to this Program and to enable this Program to be tailored to respond appropriately to Board direction.

This AML/CTF Program - Part A, (including those parts of the Main Policy incorporated in it) cannot be changed without approval of the GFF's Board of Directors. Despite this, references in this AML/CTF Program - Part A to the names of procedures and procedures themselves (other than those parts of the Main Policy incorporated in this AML/CTF Program - Part A) can be changed with approval of the AML/CTF Compliance Officer.

##### **Implementation and Compliance**

Implementation of this AML/CTF Program is the responsibility of every member of staff of GFF.

The AML Compliance Officer has primary responsibility for:

- initiating implementation action in respect of this AML/CTF Program,
- reviewing progress on implementation,
- on-going monitoring of compliance with this AML/CTF Program, and
- recording, remedying and/or escalating any concerns with full implementation/compliance of this AML/CTF Program.

**Human Resources Issues****AML/CTF Compliance Officer [Rule 8.5]**

The Australian AML/CTF Compliance Officer must be an employee of at least management level [Rule 8.5.1] whose designation as such is approved by senior management.

The Australian AML/CTF Compliance Officer will be a member of GFF's Compliance Department. The Australian AML/CTF officer will be the same person as the AML Officer appointed in the Main Policy. During the AML/CTF Compliance Officer's leave/s of absence, the role will be assumed by an alternative AML/CTF Compliance Officer of the same qualifications.

The responsibilities of the AML/CTF Compliance Officer are documented in GFF's Main Policy. In addition to these duties, the AML/CTF Compliance Officer is also responsible for:

- the matters in respect of this AML/CTF Program outlined in section 1.3 above;
- reporting directly to GFF's Board of Directors on issues relevant to AML/CTF compliance;
- acting as the point of contact for all AML/CTF inquiries by employees or service providers;
- acting as the GFF point of contact for Austrac;
- determining when a reasonable suspicion exists warranting the preparation of a suspicious matter report to Austrac;
- preparing and lodging suspicious matter reports to Austrac;
- maintenance of an AML/CTF issues register/SAR Log; and
- considering ML/TF risk impact of changes of which he/she becomes aware and acting in accordance with section 3 of this AML/CTF Program.

The AML/CTF Compliance Officer may have other duties.

**Due diligence of Employees and Contractors [Rule 8.3]**

Employees, agents and consultants will be subject to screening when newly employed by GFF or when first transferred or promoted to, a position in respect of a designated service that may assist to facilitate the commission of an ML/TF offence.

Those who have previously been screened may be subject to further screening as compliance deems appropriate, if:

- assuming an enhanced role that gives increased opportunities for facilitating the commission of a ML/TF offence; or
- there is any other risk-based reason to suggest that re-screening is appropriate.

**Risk awareness training program [Rule 8.2]**

GFF has developed and implemented a risk awareness training program as specified in GFF's Main Policy. In addition, Australian employees will receive training in the following areas:

- the obligations imposed on GFF under the Australian Act and the Austrac Rules and the consequence of non-compliance;
- the types of ML/TF risk that GFF is likely to face in connection with its designated services and the consequences of such risk; and
- role-specific training - i.e. employees and relevant contractors that are in roles that may directly facilitate potential acts of ML/TF may be required to attend specific training tailored to their particular job responsibilities and at more frequent intervals.

GFF will engage an Australian-based AML training organisation to deliver this training.

**Discipline**

As part of the AML/CTF risk awareness training, all employees are to be advised that compliance with AML/CTF requirements is a critical requirement of their role and that any non-compliance will be subject to discipline.

The procedures for disciplining any employee that is involved in any breach of his or her AML/CTF obligations, including any non-compliance with this AML/CTF Program or the controls and procedures developed to implement it [Rule 8.3.4], are set out in GFF's Employee Handbook.

**Change Control****Changes to AML/CTF Program**

This AML/CTF Program Part A (other than the policy names referred to in it) cannot be altered except with the approval of GFF's Board of Directors. Procedures developed in support of this AML/CTF Program cannot be changed without the approval of GFF's AML/CTF Compliance Officer.

**ML/TF Impact of Internal Changes**

All changes:

- to existing systems and procedures or technologies; or
- which introduce, enhance or otherwise vary GFF's products or delivery methods, must be considered for their ML/TF risk impact, either by or under the supervision of the AML/CTF Compliance Officer. Any such impacts must be identified, documented and addressed on a risk-basis, having regard to the size, nature and complexity of the business and the type of ML/TF risk impacted. [Rules 8.1.5 & 8.7.1]

Any consequent changes to procedures must be approved by the Board or senior management or where relevant, in accordance with GFF's delegation policy. [Rule 8.1.5].

**ML/TF Impact of External Changes**

From time to time GFF may become aware of changes in technology or practices used by money launderers or terrorism financiers. Such awareness may follow advice from industry associations, authorities such as Austrac or FATF or experience of individual staff, contractors or advisers. [Rules 8.1.5 & 8.7.1]

The AML/CTF Compliance Officer is to be made aware of all such changes and to consider their impact for ML/TF risk, in consultation with the General Counsel and/or other appropriate senior officer. Where appropriate,

the systems referred to in section 3.2 of this AML/CTF Program should be invoked in response to such changes.

#### **Review and Revision**

##### **Independent review of AML/CTF program [Rule 8.6]**

This Australian AML/CTF Program - Part A will be subject to regular independent review as documented in the Main Policy.

Each such review will specifically address the following aspects of this AML/CTF Program - Part A: its effectiveness having regard to the types and level of ML/TF risk that faces the business;

whether it complies with the legislation and the applicable AML/CTF Rules and has kept abreast of changes, in accordance with the change control requirements set out in section 3 above;

whether it has been effectively implemented within GFF's compliance program/framework; and whether it has been complied with.

##### **Revision upon feedback from Austrac [Rule 8.7]**

Any feedback that is provided by Austrac in relation to:

management of the ML/TF risks facing the business; or

this AML/CTF Program,

is to be assessed by the AML Compliance Officer in consultation with the General Counsel and/or other appropriate senior officer with a view to upgrading this AML/CTF Program to address the feedback.

#### **AML/CTF PROGRAM - PART B (CUSTOMER IDENTIFICATION)**

##### **2 Collection of Information**

GFF will collect from customers the information in respect of the customer type (individual company, trust etc) that is set out in its application forms.

##### **3 Sources of Verification of Information**

###### **Overview**

In order to ensure the 'reliable and independent' nature of the documentation and/or electronic data used to verify customer information, GFF will be using:

- for Australian and New Zealand based individuals - the sources of verification as stated in the safe harbour procedure for individuals below;
- for overseas-based individuals - the local equivalents of the sources of verification stated in the safe harbour procedure for individuals; however, due to the results of the risk assessment, documents will not need to be certified.
- for companies and trustees - the simplified verification procedures for both companies and trustees in the AML/CTF Rules.

Note: Customers of our Australian office must meet the AML verification guidelines as set out in our main policy which requires a government issued photo ID or verification of 'identity' through a 3<sup>rd</sup> party database (name and DL or Passport number) as well as proof of address. For US AML purposes, these documents do not need to be certified copies. Australian customers must also meet the Guidelines for verification as set out below:

##### **Safe Harbour procedure for individuals (must provide either A or B)**

###### **A) Certified copy of:**

- Driver's licence;
- Birth certificate;
- Citizenship certificates;
- Pensioner card issued by Centrelink;
- Passport;
- Proof of age card;
- National identity card;
- Notice of financial benefits issued by the Commonwealth, State or Territory;
- Notice from Australian Taxation Office;
- Utilities notices; or
- Notice from school principal for persons under the age of 18.

###### **B) Verification of DOB, Driver's License, or Passport number by independent 3<sup>rd</sup> party**

Certified copy means a document certified as a true copy of the original by:

- A person who is currently practising as and entitled under local laws to practice as a legal practitioner (however described);
- A judge of a court;
- A magistrate;
- A Chief executive officer of a federal or national court;
- A registrar or deputy registrar of a court;
- A Justice of the Peace;
- A notary public;
- A police officer;
- An agent of the relevant national Postal Corporation who is in charge of an office supplying postal services to the public;

- A permanent employee of the relevant national Postal Corporation with 2 or more years of continuous service who is employed in a office supplying postal services to the public;
- A consular officer or diplomatic officer of the relevant country;
- An officer with 2 or more continuous years of service with one or more financial institutions;
- A finance company officer with 2 or more continuous years of service with one or more finance companies;
- An officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees;
- A person who is currently practising as, and entitled under local laws to practice as a professional accountant.

**Minimum standards for companies**

- search of relevant stock exchange;
- public document issued by the company;
- search of the relevant ASIC database; or
- a search of the licence or other records of the relevant regulator.

**Minimum standards for trusts**

- search of relevant ASIC register for managed investment scheme;
- search of relevant regulator's database; or
- search or extract of legislation establishing a government superannuation fund.

**Minimum standards for partnerships**

When identifying partnerships, GFF will be using sources that may include:

- a partnership agreement, certified copy or certified extract of a partnership agreement;
- a certified copy or certified extract of minutes of a partnership meeting; and
- any other reliable and independent documentation/electronic data relating to the partnership.

**Enhanced due diligence**

Where additional sources of verification are needed, GFF will use the following:

**(a) For Individuals**

- an original letter from employer with name and address;
- white pages electronic database; or
- electoral roll electronic database.

**(b) For Companies**

- certified copy of certificate of incorporation;
- certified copy of business registration;
- certified copy of official notice from the Australian Taxation Office;
- certified copy of notice from a regulator (e.g. APRA); or
- an original disclosure certificate regarding information about the Beneficial Ownership of the company or any other relevant information for foreign companies.

**(c) For Trusts**

- certified copy of constituent documents (e.g. trust deed); or
- disclosure certificate.

**(d) For Partnerships**

- the information listed under individuals or companies as applicable to the partners of the partnership.

**(e) For Other Customer Types**

- documentation advised by the AML/CTF Compliance Officer.

**Responding to Discrepancies**

Discrepancy concerns:	Discrepancy is:	Resolution
<b>Re individual</b>		
Name	Minor error (e.g. wrong middle initial or spelling of name other than surname)	If reasonable explanation such as obvious typo, seek corroborating documents.
Name	Different surname	If reasonable explanation such as change of name on marriage - seek documentary corroboration of name change
Name	Otherwise	Reject document as basis for verification or escalate to supervisor
Date of birth	Any	Reject document as basis for verification or escalate to supervisor
Residential address	Currency	If address is old address, collect and record old and new address and seek corroboration of current address - can be from 2 reliable documents.
Residential address	Minor error e.g. street number	If reasonable explanation such as obvious typo, seek corroborating documents.
<b>Re any company</b>		
Registered address / principal place of business	Minor error e.g. street number	If reasonable explanation such as obvious typo, seek corroborating documents
Address	Currency	If address is old address collect and record old and new address and seek corroboration of current address - can be from 2 reliable documents.
Shareholder	Currency	Seek to have ASIC records corrected.
Anything else	Any other error	Reject document as basis for verification or escalate to supervisor

<b>Re any trust</b>		
Name of trust	Minor error e.g. wrong spelling of name	If reasonable explanation such as obvious typo seek corroborating documents
Principal place of business	Minor error e.g. street number	If reasonable explanation such as obvious typo, seek corroborating documents
Anything else	Any other error	Reject document as basis for verification or escalate to supervisor
<b>Re any partnership</b>		
Name of partner	Minor error e.g. wrong spelling of name	If reasonable explanation such as obvious typo seek corroborating documents
Country of establishment	Minor error	If reasonable explanation such as obvious typo seek corroborating documents
Anything else	Any other error	Reject document as basis for verification or escalate to supervisor

**EXHIBIT A**

**NEW ACCOUNT AML REVIEW**

**Account Name:** \_\_\_\_\_

Document(s) used to verify identity:

Type	I.D. No.	Expiration Date	Place Issued

Description of any non-documentary or additional methods undertaken to verify customer's identity:

Description of resolution of any substantive discrepancies discovered when verifying the identity through information obtained:

Expertise Used to Verify Customer's Identity:

Primary Account Holder

1) Address Verified

- a) \_\_\_\_ Level 2 (Standardized name and address)  
b) \_\_\_\_ Address Verification Level 1 (Y,YM, YB)  
c) \_\_\_\_ Consumer ID Level 1 (YA)  
d) \_\_\_\_ DL Verification Level 1 (YA)

2) Identity Verified

- a) \_\_\_\_ Level 2 (SS# Match)  
b) \_\_\_\_ Consumer ID Verification Level 1 (S,SA,Y,YA,YB)  
c) \_\_\_\_ DL Verification Level 1 (YA, Y)

3) OFAC - Level 1 Only (No Match) \_\_\_\_

Fraud Shield Indicators: ☐ Yes ☐ No  
(4,5,6,12,13,14,25,26,27)

Explanation: \_\_\_\_\_

Secondary Account Holder

1) Address Verified

- a) \_\_\_\_ Level 2 (Standardized name and address)  
b) \_\_\_\_ Address Verification Level 1 (Y,YM, YB)  
c) \_\_\_\_ Consumer ID Level 1 (YA)  
d) \_\_\_\_ DL Verification Level 1 (YA)

2) Identity Verified

- a) \_\_\_\_ Level 2 (SS# Match)  
b) \_\_\_\_ Consumer ID Verification Level 1 (S,SA,Y,YA,YB)  
c) \_\_\_\_ DL Verification Level 1 (YA, Y)

3) OFAC - Level 1 Only (No Match) \_\_\_\_

Fraud Shield Indicators: ☐ Yes ☐ No  
(4,5,6,12,13,14,25,26,27)

Explanation: \_\_\_\_\_

Signature & Date (Person Conducting Review) \_\_\_\_\_

**EXHIBIT B****Enhanced Due Diligence Procedures for Foreign Correspondent Accounts**

An account is a foreign correspondent account if it is based on or operates from a foreign country and is one of the following or the functional equivalent of one of the following:

- ☐ Bank
- ☐ Broker-Dealer
- ☐ Futures Commission Merchant
- ☐ Introducing Broker or Referring Party
- ☐ Mutual Fund
- ☐ Currency Dealer or Exchanger
- ☐ Money Transmitter

**State the following for the account:**

Nature of the account's business and the markets it serves: \_\_\_\_\_

Type, purpose and anticipated activity of the account: \_\_\_\_\_

Nature and duration of GFF's relationship with the account and any of its affiliates: \_\_\_\_\_

Nature of the AML regulation in the country where the account is chartered, licensed, and operates, and to the extent available, of the jurisdiction where any company which owns the foreign financial institution is incorporated or chartered: \_\_\_\_\_

Information known or was reasonably available concerning the account's AML record: \_\_\_\_\_

Was all necessary information needed to complete the foregoing obtained from the account?

- ☐ Yes    ☐ No    (If no, the account may not be opened. If the circumstances are such that it appears the account will not supply information because it may be engaged or intending to engage in money laundering, the AML Officer should be advised and the AML Officer will determine whether to submit a Suspicious Activity Report).

If all necessary information was received and the account is a bank, answer the following questions:

*Is the bank operating under a license which prohibits it from conducting banking activities with the citizens of, or in the local currency of, the jurisdiction that issued the license?*

- ☐ Yes\*    ☐ No

*Is the bank operating under a license issued by a foreign country that is on the Financial Action Task Force's non-cooperative country list?*

- ☐ Yes\*    ☐ No

*Is the bank operating under a license issued by a country designated by the Secretary of the Treasury as being of primary money laundering concern under section 311 of the USA Patriot Act?*

- ☐ Yes\*    ☐ No

*\*If the answer to any one of these questions is Yes, the account will not be approved.*

If all necessary information was received and the account is not a bank for which there was a Yes answer to the previous question, complete the following:

- ☐ The information does not reflect a sufficient risk of money laundering activity to warrant enhanced due diligence procedures.
- ☐ The information reflects a risk of money laundering sufficient to warrant enhanced due diligence procedures.

**Account Approval**

☐ Account is approved without enhanced due diligence.

☐ Account is approved subject to enhanced due diligence. Such enhanced due diligence shall consist of a quarterly review of account activity to determine whether it is consistent with the information noted above regarding type, purpose and anticipated activity of the account. If any inconsistency is found, the initial due diligence procedures will be repeated. Depending on the results of the repeated due diligence, the account activity will be suspended, the account will be closed, and/or a Suspicious Activity Report will be submitted.

**EXHIBIT C****\*FOREIGN CORRESPONDENT ACCOUNTS**

\*Is the applicant one of the following or the functional equivalent of one of the following? ☐ Yes ☐ No

If yes, please check all applicable boxes:

- ☐ Bank ☐ Broker-Dealer (Securities Broker) ☐ Currency Dealer or Exchanger ☐ Money Transmitter  
☐ Introducing Broker or Referring Party ☐ Futures Commission Merchant (Commodity or Futures Broker)  
☐ Mutual Fund (Collective investment entity containing pooled funds of multiple investors investing primarily in securities)

If you have checked one or more of the foregoing boxes, please provide the following additional information:

1. What is the nature of your business and the markets you serve? \_\_\_\_\_
2. What is the type, purpose and anticipated activity of your account? \_\_\_\_\_
3. What is the nature and duration of the relationship, if any, that you or any of your affiliates have or have had with GFT? \_\_\_\_\_
4. Describe the nature of the anti-money laundering regulation in the country or countries where you are incorporated or chartered, licensed, and operate, and in the country or countries where any company which owns your company is incorporated or chartered:  
 \_\_\_\_\_  
 \_\_\_\_\_
5. Do you have anti-money laundering procedures? ☐ Yes ☐ No  
 If yes, please describe them: \_\_\_\_\_
6. Has any government or regulatory authority questioned you or complained about you with respect to alleged money laundering activities?  
☐ Yes ☐ No If yes, please explain: \_\_\_\_\_

**The following questions are for Banks ONLY.**

7. List all licenses to engage in banking activities under which you are operating, and the country or other jurisdiction which issued each license:  

<u>License</u>	<u>Issuing Country or Other Jurisdiction</u>
_____	_____
_____	_____
_____	_____
8. Does any license listed in response to the previous question prohibit you from conducting banking activities with the citizens of, or in the local currency of, the jurisdiction that issued the license? If so, please list all such licenses: \_\_\_\_\_

**EXHIBIT D****CERTIFICATION FOR PURPOSES OF SECTIONS 5318(j) AND 5318(k) OF TITLE 31, UNITED STATES CODE**

*The information contained in this Certification is sought pursuant to Sections 5318(j) and 5318(k) of Title 31 of the United States Code, as added by sections 313 and 319(b) of the USA PATRIOT Act of 2001 (Public Law 107-56).*

The undersigned respondent bank, \_\_\_\_\_ ("Respondent Bank"), has established one or more accounts with Global Futures & Forex, Ltd. ("Covered Financial Institution") to receive deposits from, make payments on behalf of, or handle other financial transactions related to Respondent Bank (the "Correspondent Accounts"). The Respondent Bank hereby certifies, by an individual authorized to make such certification, as follows:

1. Respondent Bank (check appropriate box and complete Annex I):
  - ☐ (a) Maintains a place of business that (i) is located at a fixed address (other than solely an electronic address) in a country in which Respondent Bank is authorized by such country to conduct banking activities, at which location Respondent Bank employs one or more individuals on a full-time basis and maintains operating records related to its banking activities; and (ii) is subject to inspection by the banking authority that licensed Respondent Bank to conduct banking activities (hereinafter referred to as a "physical presence");
  - ☐ (b) Does not have a physical presence in any country, but the Respondent Bank (i) is an affiliate of a U.S. depository institution, U.S. credit union, or non-U.S. bank that maintains a physical presence in a country; and (ii) is also subject to supervision by the same banking authority in the country that regulates such affiliated depository institution, credit union, or non-U.S. bank (the Respondent Bank is thus a "regulated affiliate"); or
  - ☐ (c) Does not have a physical presence in a country and is not a regulated affiliate.
2. Respondent Bank either (check appropriate box):
  - ☐ (a) does not provide banking services to any non-U.S. bank that does not have a physical presence in any country and that is not a regulated affiliate; or
  - ☐ (b) provides banking services to a non-U.S. bank that does not have a physical presence in any country and that is not a regulated affiliate, but Respondent Bank will not after December 25, 2001 use any Correspondent Account with the Covered Financial Institution to provide banking services to any non-U.S. bank that does not have a physical presence in any country, and that is not a regulated affiliate.
3. Respondent Bank has no owner(s) (as defined below) except as set forth in Annex II. For purposes of this Certification, an owner means any large direct owner, any indirect owner, and certain small direct owners.  
 A large direct owner is a person who (1) owns, controls, or has power to vote 25 percent or more of any class of voting securities or other voting interests of the Respondent Bank; or (2) controls in any manner the election of a majority of the directors (or individuals exercising similar functions) of the Respondent Bank.  
 A small direct owner is a person who owns, controls, or has power to vote less than 25 percent of any class of voting securities or other voting interests of the Respondent Bank. The identity of a small direct owner need not be set forth in Annex II unless two or more small direct owners (1) in the aggregate own 25 percent or more of the voting securities or interests of the Respondent Bank and (2) are owned by the same indirect owner.  
 If any direct owner is majority-owned by another person, or a chain of majority-owned persons, an indirect owner is any person in the ownership chain of the direct owner who is not majority-owned by another person.  
 If any two or more small direct owners (1) in the aggregate own, control, or have power to vote 25 percent or more of any class of voting securities or other voting interests of the Respondent Bank and (2) are majority-owned by the same person, or by the same chain of majority-owned persons, an indirect owner is any person in the ownership chain of such small direct owners who is not majority-owned by another person.  
 For purposes of this Certification, (i) "person" means any individual, bank, corporation, partnership, limited liability company or any other legal entity; (ii) voting securities or other voting interests means securities or other interests that entitle the holder to vote for or select directors (or individuals exercising similar functions); and (iii) members of the same family shall be considered one person.
4. The individual or entity ("Agent") identified in Annex III, resident in the United States at the address (not a post office box) set forth in Annex III, is authorized to accept service of legal process from the Secretary of the Treasury or the Attorney General of the United States pursuant to Section 5318(k) of title 31, United States Code.
5. Respondent Bank shall notify in writing within 30 calendar days each financial institution in the United States at which it maintains a Correspondent Account of any change in facts or circumstances as reported in this Certification and the Annexes hereto.
6. Respondent Bank understands that each financial institution in the United States at which it maintains a Correspondent Account may provide a copy of this Certification to the Secretary of the Treasury and the Attorney General of the United States. I, \_\_\_\_\_ (name), certify that I have read and understand this Certification and the Annexes hereto and that the statements made in this Certification and the Annexes hereto are true and correct.

This Certification is made on behalf of \_\_\_\_\_ (name of Respondent Bank), a banking institution organized under the laws of \_\_\_\_\_ (specify country).

I understand that the statements contained in this Certification and the Annexes hereto may be transmitted to one or more departments or agencies of the United States of America for purpose of fulfilling such departments and agencies governmental functions.

**Agreed To:**

\_\_\_\_\_  
Authorized Customer Signature

\_\_\_\_\_  
Authorized Customer Name Printed

\_\_\_\_\_  
Date

**Received, reviewed and accepted by For Global Forex Trading:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name Printed

\_\_\_\_\_  
Date

**ANNEX I**

**1. To be completed if Respondent Bank checked paragraph 1(a) of the Certification:**

(A) Respondent Bank maintains a place of business at

\_\_\_\_\_  
[Street Address]

in \_\_\_\_\_  
[Country]

(B) The banking authority that has the right to inspect the place of business referred to in (A) is

\_\_\_\_\_  
[Name of Banking Authority]

**2. To be completed if Respondent Bank checked paragraph 1(b) of the Certification:**

(A) Respondent Bank's affiliate that is regulated is

\_\_\_\_\_, which maintains a physical presence  
at \_\_\_\_\_  
[Name of Affiliate]

\_\_\_\_\_  
[Street Address]

in \_\_\_\_\_  
[Country]

(B) The banking authority that supervises both the Respondent Bank and its affiliate is

\_\_\_\_\_  
[Name of Banking Authority]

ANNEX II

Name and Address of Owner(s)

Name	Address (No Post Office Boxes)

ANNEX III

Name and Address of Agent Designated to Accept Service of Legal Process

Name	Address (No Post Office Boxes)	Phone No.	Fax No.	E-mail Address

EXHIBIT E

CORPORATE, PARTNERSHIP, OR LIMITED LIABILITY COMPANY  
BENEFICIAL OWNERSHIP QUESTIONNAIRE

Please answer the following questions which are necessary for compliance with anti-money laundering laws:

1. Name of GFT Account \_\_\_\_\_

Describe the ownership structure of your organization:

- ☐ Shareholder – owned corporation
- ☐ Member – managed limited liability company
- ☐ Manager – managed limited liability company
- ☐ General partnership
- ☐ Other

If your answer to the foregoing question is "Other", describe your ownership structure:

\_\_\_\_\_

2. Identify below all individuals and entities which have a direct or indirect ownership interest of twenty-five percent (25%) or more, or are Authorized Signers, or Authorized Controllers of the entity listed above:

\_\_\_\_\_  
\_\_\_\_\_

3. For each entity identified in question 2, identify the individual or entity primarily responsible for acting on behalf of that entity:

Name of Responsible Individual or Entity	Name of Entity listed in question 2
_____	_____
_____	_____
_____	_____
_____	_____

4. Will any entity, other than a trading advisor or trading agent with power of attorney over the account, control the actions of the Customer in relation to the account by instructing the Customer what transactions to make in the account?

☐ Yes ☐ No

If yes, identify each such entity and the individual primarily responsible for acting on behalf of the entity:

Entity	Responsible Individual
_____	_____
_____	_____

5. For all individuals identified in response to questions 2-4, provide the following information:

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Social Security Number (U.S. residents) or other government-issued identification number (non-U.S. residents): \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Social Security Number (U.S. residents) or other government-issued identification number (non-U.S. residents): \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Social Security Number (U.S. residents) or other government-issued identification number (non-U.S. residents): \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Social Security Number (U.S. residents) or other government-issued identification number (non-U.S. residents): \_\_\_\_\_

Attach additional sheets if necessary to identify additional individuals.

6. For all Entities identified in response to questions 2-4, provide the following information:

Entity Name \_\_\_\_\_  
Address (Physical Location) \_\_\_\_\_  
City \_\_\_\_\_ State/Province \_\_\_\_\_ Zip/Postal Code \_\_\_\_\_ Country \_\_\_\_\_  
Federal Tax ID Number \_\_\_\_\_

Entity Name \_\_\_\_\_  
Address (Physical Location) \_\_\_\_\_  
City \_\_\_\_\_ State/Province \_\_\_\_\_ Zip/Postal Code \_\_\_\_\_ Country \_\_\_\_\_  
Federal Tax ID Number \_\_\_\_\_

Entity Name \_\_\_\_\_  
Address (Physical Location) \_\_\_\_\_  
City \_\_\_\_\_ State/Province \_\_\_\_\_ Zip/Postal Code \_\_\_\_\_ Country \_\_\_\_\_  
Federal Tax ID Number \_\_\_\_\_

Attach additional sheets if necessary to identify additional entities.

Customer represents that all answers to the foregoing questions are true and correct, and agrees to notify GFT of any material changes in writing. GFT reserves the right, but has no duty, to verify the accuracy of information provided, and to contact such bankers, brokers and others as it deems necessary. The undersigned authorizes GFT to obtain information from Experian and other credit reporting agencies to verify the identity of the individuals named in this Questionnaire for anti-money laundering purposes and to avoid fraudulent transactions in the name of the Customer.

AGREED AND AUTHORIZED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20 \_\_\_\_.

Signature of Authorized Officer, Partner, Manager or Managing Member \_\_\_\_\_ Printed Name and Title of Individual \_\_\_\_\_

Residential Address of Individual \_\_\_\_\_

Exhibit F

TRUSTEE CERTIFICATION

To: Global Futures & Forex, Ltd.  
Date of this Certification: \_\_\_\_\_  
In consideration of opening and/or maintaining one or more accounts for the trust named below ("Trust"), and recognizing that Global Futures & Forex, Ltd. ("GFT") is relying on the representations set forth below, I/we, the undersigned Trustee(s), certify as follows:

- 1. The title of the Trust to which this certification applies is: \_\_\_\_\_
- 2. The date of the Trust Agreement is \_\_\_\_\_
- 3. Type of Trust    ☐ Living    ☐ Other
- 4. There are no other Trustees of the Trust other than the undersigned.
- 5. You have the authority to accept orders and other instructions relative to the trust account from any one of the persons listed below. Unless specified otherwise, any one of the Trustees listed below may individually act on behalf of the Trust and any one of them may execute on behalf of the Trust any document you may require. PRINT ALL TRUSTEE NAME(S):  
\_\_\_\_\_  
\_\_\_\_\_

- 6. We certify that we have the power under the Trust Agreement and applicable law to enter into transactions, both purchases and sales of foreign currency spot, forward, options contracts, on margin or otherwise, and all cash transactions incidental thereto.
- 7. Without limiting any liability which the Trust has to you, we, the signatories to this form accept, joint and several personal liability to indemnify you and hold you harmless from any liability for effecting transactions of the types specified above, should you act pursuant to instructions from any of the individuals listed in paragraph 5 of this Certification. We agree to inform you in writing of any amendment to the Trust, any change in the composition of the Trustees, or any other event that could alter the certifications made above.
- 8. You have the authority to accept orders and other instructions relative to the Trust account(s) identified herein from any of the persons listed in paragraph 5. You may, however, in your sole discretion and for your sole protection, require written consent of more than one or all Trustees prior to acting upon any instructions.
- 9. There are no other Trustees of the Trust other than those listed in paragraph 5.
- 10. Should only one person execute this Certification, it shall be a representation that the signer is the sole Trustee. Where applicable, plural references in this certification shall be deemed singular.
- 11. We, the Trustees, have the power under the Trust and applicable law to enter into the transactions and issue instructions that we make in this account. Such power may include, without limitation, the authority to buy, sell, short sell, rollover, and offset foreign currency contracts, and to withdraw and deposit assets, including delivery of funds to and from the Trust account. We understand that all orders and transactions will be governed by the terms and conditions of all other account agreements applicable to this account. We have reviewed the entirety of the Trust Agreement, and any amendments thereto, prior to completion of all application forms, and we have verified the accuracy of all information we have provided in this Certification and in the completion of all application forms.
- 12. We, the Trustees, understand that you will not undertake to review individual transactions or instructions, and that you may rely upon our instructions and the Certification and representations made to you hereunder, without further inquiry. We, the Trustees, understand that it is our sole responsibility to limit the instructions given to you, and to request only those transactions that comply with all provisions of the Trust and all applicable laws.
- 13. The following individuals and entities have provided twenty-five percent (25%) or more of the assets of the Trust or have the power to remove the Trustee:

Name of Individual or Entity: \_\_\_\_\_

Status:    ☐ Provider of 25% or more of Assets of Trust    ☐ Power to Remove Trustees

Name of Individual or Entity: \_\_\_\_\_

Status:    ☐ Provider of 25% or more of Assets of Trust    ☐ Power to Remove Trustees

Name of Individual or Entity: \_\_\_\_\_

Status:    ☐ Provider of 25% or more of Assets of Trust    ☐ Power to Remove Trustees

Name of Individual or Entity: \_\_\_\_\_

Status:    ☐ Provider of 25% or more of Assets of Trust    ☐ Power to Remove Trustees

14. For each entity identified in response to the previous question, identify the individual primarily responsible for acting on behalf of the entity:

<u>Name of Individual</u>	<u>Associated Entity</u>
_____	_____
_____	_____
_____	_____
_____	_____

15. For each of the individuals identified in response to paragraphs 5, 13, and 14, provide the following information:

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Social Security Number (U.S. residents) or other government-issued identification number (non-U.S. residents): \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Social Security Number (U.S. residents) or other government-issued identification number (non-U.S. residents): \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Social Security Number (U.S. residents) or other government-issued identification number (non-U.S. residents): \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_  
Address: \_\_\_\_\_  
Social Security Number (U.S. residents) or other government-issued identification number (non-U.S. residents): \_\_\_\_\_

Attach additional sheets if necessary to identify additional individuals.

**Signatures**

The undersigned Trustees represent that all information in the foregoing Trustee Certification is true and correct, and agree to notify GFT of any material changes in writing. GFT reserves the right, but has no duty, to verify the accuracy of all information provided, and to contact such bankers, brokers and others as it deems necessary. The Trustees authorize GFT to obtain information from Experian and other credit reporting agencies to verify the identity of the Trustees and all other individuals identified in the foregoing Trustee Certification for anti-money laundering purposes and to avoid fraudulent transactions in the name of the Trust.

Certified to You By: (All Trustees must sign)

\_\_\_\_\_  
Trustee Signature (Individual)

\_\_\_\_\_  
Trustee Signature (Individual)

\_\_\_\_\_  
Trustee Signature (Individual)

\_\_\_\_\_  
Trustee Signature (Individual)

Certification if Trustee is a Corporation:

I hereby certify that \_\_\_\_\_ (Officer Name) is authorized to sign on behalf of \_\_\_\_\_ (Corporation Name), the trustee of the trust listed in section one of this certification.

\_\_\_\_\_  
Signature of Authorized Officer

## EXHIBIT D



December 30, 2009

Ms. LuAnne Bleiler  
Ms. Lisa Sandee  
Global Forex Trading  
4760 E. Fulton Road, Suite 201  
Ada, Michigan 49301

Dear Lisa and LuAnne:

Once again, I thoroughly enjoyed the opportunity to work with you and the GFT team on your AML audit requirements. Your organization is impressive and it's great to see that you continue to implement continual improvements in your AML policies and in your business operations. My mission was to ensure that the audit of GFT's Anti-Money Laundering Policies and Procedure was value-added. I have completed the report and am forwarding the results via e-mail to your attention.

This report contains:

- The completed AML Audit Checklist
- An Audit Summary Report for each AML section audited

In summary, there were no deficiencies noted. I did note one (1) recommendation for improvement. As we discussed, these recommendations are simply my suggestions regarding processes that GFT may wish to incorporate into your business operations to improve the control of your AML activities with the objective of making your internal systems more effective and reducing costs.

I look forward to assisting you and the GFT organization in your business improvement plans and the opportunity to audit your AML process in 2010.

Very truly yours,

UHY ADVISORS, MI, INC.

Alan K. Lund, Consulting Principal

Global Forex Trading - AML AUDIT CHECKLIST

Auditors: Alain Lund - UHY Advisors-MI, Inc., Southfield, MI  
This checklist provides evidence of that a Process Review / Audit has been completed.  
Answers are YES or NO. Recent Comments & Objective Evidence in space provided.  
Where answer is NO, list example(s) in comment section.

Audit Date: 12/22/08  
Auditor Contact Information: alund@uhy-us.com (248) 204-6447

Compliance YES NO		ACTION/COMMENTS	
GFTS AML PROCESS			
1. GENERAL			
HAS AN ANTI-MONEY LAUNDERING COMPLIANCE OFFICER BEEN APPOINTED? EVIDENCE OF APPOINTMENT?		X	Adrian Blatter has been designated as the AML Compliance Officer. GFT's AML oversight is structured into five (5) distinct areas: 1. Law & Regulation - Lisa Suckow, Compliance Manager - AML Policies and Procedures 2. Risk Management - Stephanie Drom, Compliance Manager - Safe, High Risk, Global AML, AMLA, Account 3. Communications - Jennifer Christensen, Compliance Manager 4. Account Services - Betsy Meyers, Compliance Manager - Account Opening 5. Employee Services - Jessica Vickery, Compliance Manager - Training The Compliance Officer is also designated as the AML Compliance Officer (AML CO) - Section 1. A. GFT has established designated compliance and procedure manuals: - Risk Management Manual - Communications Manual - Law & Regulation Manual - Compliance Manual - Employee Services Manual - Sales Manual
IS AN AML PROCEDURE AVAILABLE, CONTROLLED AND COMMUNICATED?		X	AML Policy & Procedure document is contained in Section 15 of the FCM Manual (Future Commission Merchant's Compliance Manual). The FCM Manual, including the AML Policy document, is identified by Title & Revision Data. Current date is 4/21/08. The FCM Manual, including AML policy and procedure, is reviewed, signed by a GFT officer, and retained by Law & Regulation personnel. An Electronic Copy is stored in i-Track electronic document storage.  Distribution of changes to this document are completed via e-mail to internal staff and external 3rd Parties.  Completed by a contracted outside 3rd party (UHY Advisors MI, Inc. on 12/22/08). Audit results reviewed by GFT management. No deficiencies were noted. Six (6) recommendations were noted within the report. Audit report signed and dated on 2/28/09 by Muhammad Rasoul. Lisa Suckow, Law & Regulation Compliance Manager, reviewed and approved the report. Supporting AML audit records. All recommendations were reviewed and several have been implemented.
WAS AN AML AUDIT COMPLETED FOR THE PREVIOUS YEAR? WHEN? EVIDENCE OF AUDIT?		X	No deficiencies noted in the 2008 AML Audit Report. Follow-up regarding previous deficiencies indicated that the corrective actions implemented were effective.
WERE ANY DEFICIENCIES FROM THE PREVIOUS AML AUDIT CLOSED? WHEN? EVIDENCE?		X	AML CO and Law & Regulation Compliance Manager monitor industry regulations / changes / notices via communications from NFA, Department of Treasury, Complaint, Lawless, OFAC and FINCEN. AML CO is a member of the Association of Certified Anti-Money Laundering Specialists (ACAMS) which provides a bi-annual update on the latest industry trends and changes in AML actions, changes and industry watch. NFA monitors industry and supplies updates as released. - Consultant - US related AML... daily services - Training - Australia related AML
IS A LISTING OF CURRENT AML REGULATORY REQUIREMENTS REVISION DATE(S) AVAILABLE? MAINTAINED?		X	
* WHAT PERSONNEL NEED TO BE AWARE OF GFTS AML PROCEDURE?			All personnel who handle and/or manage money associated with customer accounts (does not include Tech, Marketing and IT personnel). AML documents accessible on GFT's server. Electronic copies are distributed via e-mail to new personnel, and to existing personnel as needed. Note: Notification provided to all personnel when any substantial change is made to the AML documents. A Signed Acknowledgment is required from each person.

9492 Audin-Chavallat


	Compliant?	ACTION COMMENTS	
		YES	NO
ARE THE AML COMPLIANCE FILES PROPERLY MAINTAINED? (2 YEARS - REACHY ACCESSIBLE, 7 YEARS TOTAL)	X	Reviewed 2009 reports. Reports available and on file as specified. AML Procedures specifies that reports are maintained for 2 years on-site. GFT has been implementing electronic file sharing (Ushare). Records reviewed included SAR reports for Jun Koh, 509. GFT began using a new electronic SAR filing system in September 2008 (BSA-E Filing). System provides acknowledgment and status of filed SARs. Approx 105 SARs filed via BSA-E system since September 2008.	
* HOW IS SUSPICIOUS ACTIVITY DOCUMENTED & COMMUNICATED? TO WHOM IS IT COMMUNICATED?		<b>Suspicious Activity:</b> It highlighted in the Monthly Report (Futures, Forex and Forex High Risk). Criteria to identify suspicious activities involves review of activity and assets "unusually" by GFT AML personnel. If suspicious activity is noted, it is submitted through BSAC-CD. A SAR is submitted to the GFT AML. GFT AML reviews SARs filed via BSA-E system since September 2008.	
4. PERSONNEL TRAINING		Compliance Department maintains records of employees training in a Training Software database program. An "Acknowledgment of Receipt" is available for each employee who receives AML training. This record is retained as evidence of AML training. GFT has established and implemented a Compliance Manual that details record retention for documents other than those associated with AML. GFT utilizes an On-Line New Hire form that automatically generates an AML Training form.	
ARE EMPLOYEE AML TRAINING RECORDS CURRENT?	X	Training Records Reviewed: - Chikako Ito Japan, 12/10/09 - Erin Lynch Japan, 11/09/09 - Jan Wozniak UK, 02/02/09  Training Completed - 12/20/09 Training Completed - 11/09/09 Training Completed - 12/02/09	
* HOW ARE EMPLOYEE AML TRAINING NEEDS IDENTIFIED, COMMUNICATED & COMPLETED?		GFT provides AML awareness and associated training to all new permanent personnel. AML update training is conducted when there are changes to the AML procedures. GFT provides internal AML training associated with GFT's AML procedure and any major changes to the AML procedures. GFT requires both "Written" and "On-Line" training be completed annually. Employees requiring AML Training are contacted via email for the on-line training. Upon completion, a faxed confirmation is sent to GFT immediately and followed up with a formal letter.	
* WHAT LEVEL OF EMPLOYEE IS REQUIRED TO COMPLETE AML TRAINING?		Anyone handling money, Accounting, New Accounts, and Brokers	
5. HIGH RISK ACCOUNTS		There are two (2) forms of High Risk Reports generated: #1 - AML Forex High Risk . . . Look at every account over \$16,000 #2 - Trading Activity High Risk . . . Looks at specific trading activities, i.e., IP Address, Pooling, etc.	
IS A HIGH RISK GROUP MAINTAINED? EVIDENCE?	X	A Trading High Risk Report is generated by the Trading Group with a summary review forwarded via e-mail to Risk Management. The AML CO is required to review any reports where a High Risk has been determined to exist.  #1 - AML Trading Report - Reviewed September 2009 report, AR Market Traders ID# 61211 #2 - AML Forex High Risk Report - Reviewed September 2009 report, Rhona Cholista, D# 53410 #3 - AML Forex High Risk Report - November 2009, Arthur Gray, #259705, SAR . . . Note SF Account at Ziro AML CO reviews the report. Evidence of review is the AML CO's initials on the report.	
ARE HIGH RISK GROUP ACCOUNTS MONITORED ON A MONTHLY BASIS? EVIDENCE?	X	Reviewed AML Futures, AML Forex, High Risk Risk Management, reviewed by Compliance Specialist and November 2009.	
* WHO IS RESPONSIBLE TO REVIEW THE HIGH RISK ACCOUNT REPORT? WHEN? EVIDENCE?		Reports are produced by the Chief Dealer. Reports are forwarded to Risk Management, reviewed by Compliance Specialist and by the AML CO when the report indicates High Risk activity that needs further review.	
6. NEW ACCOUNTS (SELECT 8 RECENT NEW ACCOUNTS TO REVIEW) WAS THE REQUIRED CUSTOMER IDENTIFYING INFORMATION RECORDED?			

INSERT 9

	Compliance		ACTION/COMMENTS
	YES	NO	
- ACCOUNT #1: Joseph P. #759053  Case Created - #181251 Application 12/17/09 1st Approval - 12/21/09 2nd Approval - "AC" - March DDB and SSN - Audit #CP-RNP-C587F8Y54  Application - 12/21/09 Opened 12/22/09 1st Approval - "JC" 2nd Approval - "AC" Open until 12/23/09 Japan Individual Account	X		Reviewed account file. All specified documents and information retained as required.
- ACCOUNT #2: Hideo K. #759019	X		Reviewed account file. All specified documents and information retained as required.
IS A NEW ACCOUNT AML REVIEW FORM (EXHIBIT "A") RETAINED FOR EACH NEW ACCOUNT?	X		New Account AML Review form (Exhibit "A") attached to each account file verified; date of AML Review recorded in case for each account verified.
ARE NEW ACCOUNT AML REVIEW FORMS (EXHIBIT "A") READILY AVAILABLE (2 YEARS CURRENT, 7 YEARS TOTAL)	X		Exhibit "A" records are retained electronically (scanned file). Verified accounts. Records stored in INVAULT by account number and date opened.
* HOW IS EVIDENCE OF CUSTOMER CONTACT RECORDED?			In 2009, GFT implemented a "Client Liaison" position that deals directly with the prospective customer. The CL is responsible to complete all initial documentation and to communicate this info to the personnel to open an account.  Email responses generate a CASE in Sales Force program used to relate account information; automatically upon responses, email themselves are attached to account file by the Customer Service Representative. When GFT contacts the customer via Phone or Chat, the Customer Service Representative identifies the type of contact within the file and provides a written description of the discussion in the account file. Phone conversations are recorded.
* HOW WOULD KEY MANAGEMENT BE AWARE THAT AN ACCOUNT HAD BEEN OPENED WITHOUT PROPER IDENTIFICATION/ VERIFICATION?			Opening an account requires a 1st & 2nd approval prior to activating applying the funds. The 1st Approval is considered by a Customer Service Representative having a minimum of 6 months employment in which account information is verified using a Customer Service checklist contained in the "New Account Approval Process" based on the type of account to be opened.  DealBook is opened with a CASE number, a DealBook Sheet is initiated along with all other required new account compliance documents. These documents are coordinated and completed by the Client Liaison (CL). The CL forwards completed documents to Compliance.  The 2nd Approval is conducted by Compliance in which the account information is verified using a Compliance Checklist contained in the "New Account Approval Process" which includes verifying information in Sales Force & DealBook. Upon approval, the DealBook Sheet is forwarded to Accounting to apply the funds and return the DealBook Sheet to Customer Service to open the account and retail the customer.
7 ACCOUNT EVALUATION			
IS A LISTING OF COUNTRIES DESIGNATED AS "NON-COOPERATIVE" AVAILABLE? CURRENT?	X		The OFAC list is updated weekly. Distribution List by Country maintained by Compliance Department and distributed as updated. GFT Distributed List compared to the US Treasury Department list of OFAC Countries verified current.  AML procedure specifies the location to obtain a listing of Non-Cooperative Countries. A listing of these countries is distributed to personnel and is available on GFT's intranet. Current NCCT listing indicates that there were no Non-Cooperative Countries and Territories as of October 13, 2006.
IS A LISTING OF UNACCEPTABLE (OFAC) COUNTRIES AVAILABLE? CURRENT?	X		The OFAC list is updated weekly. Distribution List by Country maintained by Compliance Department and distributed as updated. List is available on GFT's server and is accessible to all personnel. GFT Distributed List compared to the US Treasury Department list of OFAC Countries verified current.
* HOW DO EMPLOYEES KNOW ABOUT THE "KNOW YOUR CUSTOMER" REQUIREMENTS?			Awareness provided during training. GFT has produced and personnel use a Customer Service Manual. Training on policies and procedures is provided by various department leaders. Compliance Department personnel, under the direction of the AML CO develop and oversee training provided.
* HOW DOES GFT'S MANAGEMENT MAINTAIN A CURRENT LISTING OF NON-COOPERATIVE COUNTRIES? WHY? WHEN?			GFT relies on e-mail alerts from designated sources.
8 REPORTING REQUIREMENTS			

AML Audit Checklist

		Complaint?		ACTION/COMMENTS	
		YES	NO		
ARE SUSPICIOUS TRANSACTIONS REPORTED? EVIDENCE?		<input checked="" type="checkbox"/>		SAR activity is noted in the Monthly reports. Reviewed reports for September and November 2009.	
IF ANY SARs WERE FILED, ARE RECORDS PROPERLY MAINTAINED?		<input checked="" type="checkbox"/>		Approx 350 SARs were filed in 2009 year (to date). Examples reviewed: - Arthur Gay, #489705 ... SAR ... Note SF Account at Zero - Ann Koh, DB 489271 ... SAR, Filed 8/09	
<b>9 AML RECORDS</b>					
ARE DESIGNATED AML RECORDS READILY AVAILABLE?		<input checked="" type="checkbox"/>		Reviewed example customer files (as noted in Section 8 above). Files were complete and contained all specified information.	
ARE RECORDS PROPERLY IDENTIFIED, INDEXED, STORED, & MAINTAINED?		<input checked="" type="checkbox"/>		Reviewed files in the Compliance Specialist area and the New Accounts area. Files properly maintained.	
* WHAT IS THE PROCESS FOR DISPOSITION OF RECORDS?				GFT maintains a policy of retaining AML records for a minimum of 7 years with current records (2 years) readily available. Records will be maintained electronically as previously noted in this report. Off-site storage of records is maintained.	
<b>10 WEBSITE DETAIL</b>					
IS THE RISK DISCLOSURE DOCUMENT POSTED ON THE WEBSITE?		<input checked="" type="checkbox"/>		Verified by review of Web Site statement	
IS THE RISK DISCLOSURE DOCUMENT NOTICE CURRENT?		<input checked="" type="checkbox"/>		Verified by review of web site and internal document. Verified Revision dates.	
<b>ADDITIONAL QUESTIONS FOR ALL DEPARTMENTS:</b>					
1. Discussed "Sample Star" of AML review. Personnel asked that GFT has added full time staff to conduct more frequent review / audits. Process appears to be strong.					
2. Suggestions / Recommendations as presented in 2009 have been and/or are in the process of implementation.					
3. GFT has several Compliance Manual, i.e., Risk Compliance Manual and Compliance Procedures Manual. Each of these documents contain AML-specific procedures, examples:					
Risk Compliance Manual: Audit: AML Focus, dated 8/1/09					
Audit: AML Focus, dated 1/1/09					
Compliance Procedures: AML - Monthly Reviews					
AML - Future Reviews					
Suggestion: Review processes and/or systems to ensure that these documents are not in conflict with the FCM Manual and the designated AML policies. It is anticipated that the final implementation of CEROs M01 will be very helpful in providing coordination.					
Discussed with personnel in New Accounts and Sales & Marketing. No recommendations provided.					
Personal interview stated that they were very comfortable with GFT's procedure and training. No recommendations provided.					
WHAT ADDITIONAL TRAINING NEEDS TO BE COMPLETED REGARDING GFT'S AML POLICIES & PROCEDURES?					
DO YOU HAVE THE RESOURCES & TRAINING TO IDENTIFY AML ACTIVITIES?					
COMMENTS AND ADDITIONAL ITEMS TO ADDRESS:					
1. None identified					
2.					
3.					
AML Report Reviewed By: _____				Date: _____	

  
1-22-10



# Global Forex Trading

## Audit Summary Report

Audit Date: 12/22/09 Audit Location: Global Forex Trading - Ada, Michigan

Area / Process Audited: GFT's AML Policies & Procedure - Section 1 - General

Related Documents: AML Procedure

Auditor(s): Alan Lund

Audit Results: # of Deficiencies: 0 # of Recommendations: 0

### Comments:

Audit of Section 1 - AML General:

No Deficiencies noted in this section

LuAnne Bleiler has been designated as the AML Compliance Officer. GFT's AML oversight is structured into five (5) distinct areas:

1. Law & Regulation - Lisa Sandee, Compliance Manager.
2. Risk Management - Stephanie Bromm, Compliance Manager
3. Communications - Jennifer Christensen, Compliance Manager
4. Account Services - Betsey Meyers, Compliance Manager
5. Employee Services, Jessica Vickery, Compliance Manager

AML Procedure designates LuAnne as the AML Compliance Officer (AML CO) - Section I, A.

Reviewed 2008 Audit Report. Report reviewed and signed by GFT Management (reviewed & signed 2/2/09).

No deficiencies noted in the 2008 AML Audit Report. . . All previously noted causes for deficiencies appear to have been corrected with the implemented solution(s) effective.

AML Policies and Procedures document located on GFT's Intranet under Compliance has a revision date of 8/21/09. Document control will be further strengthened with the final implementation of CEBOS MQ1 Document module.

AML Reports reviewed had initials of the AML CO as specified by the AML Policy.

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months ☐ Six Months ☐ Nine Months ☒ One Year

Attach copies of checklists, notes and audit findings/observations  
Route to GFT's AML Compliance Officer for record keeping



# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: **12/22/09** Audit Location: **Global Forex Trading - Ada, Michigan**

Area / Process Audited: **GFT's AML Policies & Procedure - Section 2 - AML Policy Management**

Related Documents: **AML Procedure**

Auditor(s): **Alan Lund**

Audit Results: # of Deficiencies: **0** # of Recommendations: **0**

### Comments:

Audit of Section 2 - AML Policy Management:

No Deficiencies were noted in the section.

Reviewed the AML program training responsibilities that have been contracted out. AML CO criteria is defined by GFT's AML Policy & Procedure and includes responsibilities for AML audits, personnel training, review of reports, and program management. AML CO and Compliance Department responsibilities are monitored for effectiveness via the results of the annual AML audit.

- Documented position descriptions have been established for AML Compliance personnel, i.e., Compliance Manager, & Compliance Specialist.

Evidence was available to support that an AML audit had been completed in 2008. Audit report and audit section summary sheets provided adequate evidence that GFT's Executive Management had reviewed the results of the audit.

- GFT's Executive Management Personnel had reviewed and signed the audit report (signature dated 2/2/09).

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months ☐ Six Months ☐ Nine Months ☒ One Year

Attach copies of checklists, notes and audit findings/observations  
Route to GFT's AML Compliance Officer for record keeping



# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: 12/22/09 Audit Location: Global Forex Trading - Ada, Michigan

Area / Process Audited: GFT's AML Policies & Procedure - Section 3 - Suspicious Activity Measures

Related Documents: AML Procedure

Auditor(s): Alan Lund

Audit Results: # of Deficiencies: 0 # of Recommendations: 0

### Comments:

Audit of Section 3 - Suspicious Activity Measures:

No Deficiencies noted in the section.

Reviewed September '09 reports produced. Reports reviewed by AML CO (evidence by AML CO's initials on reports). Reports retained by the Compliance Specialist. Reports available and on file as specified.

AML Procedure specifies that reports are maintained for 2 years on-site. GFT has been implementing electronic file scanning and will be reducing and/or eliminating the need to retain hardcopy records.

Reviewed 2009 reports. Reports available and on file as specified. AML Procedure specifies that reports are maintained for 2 years on-site. GFT has been implementing electronic file scanning (i-Vault).

Records reviewed included SAR report for Ann Koh, 5/09.

GFT began using a new electronic SAR filing system in September 2009 (BSA-E Filing). System provides acknowledgement and status of filed SARs. Approx 105 SARs filed via BSA-E system since September 2009. GFT does not receive acknowledgement when SARs are filed.

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months ☐ Six Months ☐ Nine Months ☒ One Year

Attach copies of checklists, notes and audit findings/observations  
Route to GFT's AML Compliance Officer for record keeping



# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: 12/22/09 Audit Location: Global Forex Trading - Ada, Michigan

Area / Process Audited: GFT's AML Policies & Procedure - Section 4 - Personnel Training

Related Documents: AML Procedure

Auditor(s): Alan Lund

Audit Results: # of Deficiencies: 0 # of Recommendations: 0

### Comments:

Audit of Section 4 - Personnel Training:

No Deficiencies noted in this section.

Records of employee training in a Training Software database program.

An "Acknowledgment of Receipt" is available for each employee who receives AML training. This record is retained as evidence of AML training. GFT has established and implemented a Compliance Manual that details record retention for documents other than those associated with AML.

GFT utilizes an On-Line New Hire form that automatically generates an AML Training form.

GFT provides AML awareness and associated training to all new permanent personnel. AML update training is conducted when major AML policy changes occur. A software-based program is used to track and record training received. GFT utilizes an outside source that provides web-based AML general training.

GFT provides internal AML training associated with GFT's AML procedure and any major changes to the AML regulations. GFT requires both "Written" and "On-Line" training be conducted annually. Employees requiring AML Training are contacted via email for the on-line training. Upon completion, a faxed confirmation is sent to GFT immediately and followed up with a formal letter.

No Recommendations noted

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months ☐ Six Months ☐ Nine Months ☒ One Year

**Attach copies of checklists, notes and audit findings/observations**  
**Route to GFT's AML Compliance Officer for record keeping**



# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: **12/22/09** Audit Location: **Global Forex Trading - Ada, Michigan**

Area / Process Audited: **GFT's AML Policies & Procedure - Section 5 - High Risk Accounts**

Related Documents: **AML Procedure**

Auditor(s): **Alan Lund**

Audit Results: # of Deficiencies: **0** # of Recommendations: **0**

### Comments:

Audit of Section 5 - High Risk Accounts:

No Deficiencies noted in the section.

Reviewed Monthly Reports September '08

There are two (2) forms of High Risk Reports generated:

#1 - AML Forex High Risk . . . . . Look at every account over \$15,000

#2 - Trading Activity High Risk . . . Looks at specific trading activities, i.e., IP Address, Pooling, etc.

A Trading High Risk Report is generated by the Trading Group (Kurt) with a summary review forwarded via e-mail to Risk Management. The AML CO is required to review any reports where a High Risk has been determined to exist.

Reports Reviewed for September and November 2009:

#1 - AML Trading Report - Reviewed September 2009 report, 4R Market Traders ID# 61211

#2 - AML Trading Report - Reviewed September 2009 report, Ann Koh ID# 469271

#3 - AML Forex High Risk Report - Reviewed September 2009 report, Rhona Oholina, ID# 633410

#4 - AML Forex Trading Report - November 2009, Arthur Gay, #269705, SAR . . . Note SF Account at Zero

AML CO reviews the report. Evidence of review is the AML CO's initials on the report.

No Recommendations Noted . . . .

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months ☐ Six Months ☐ Nine Months ☒ One Year

Attach copies of checklists, notes and audit findings/observations  
Route to GFT's AML Compliance Officer for record keeping



# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: **12/22/09**Audit Location: **Global Forex Trading - Ada, Michigan**Area / Process Audited: **GFT's AML Policies & Procedure - Section 6 - New Accounts**Related Documents: **AML Procedure**Auditor(s): **Alan Lund**Audit Results: # of Deficiencies: **0**# of Recommendations: **0**

### Comments:

Audit of Section 6 - New Accounts:

No Deficiencies were noted in the section.

Reviewed two (2) new accounts: Examples:

ACCOUNT #1: Joseph P. #759053

Case Created - #161261

Application 12/17/09

1st Approval - 12/21/09

Verification - Experian Report - 12/17/09

- Match DOB and SSN.

- Audit #CP-5KP-C597P8Y54

ACCOUNT #2: Hideo K. #759019

Application - 12/21/09

Opened 12/22/09

1st Approval - "JG"

2nd Approval - "AC"

Opportunity ID - 161402

Japan Individual Account

Discussed Approvals:

All New Accounts complete a series of reviews - In most instances, three (3) internal GFT reviews by three (3) different people (on 1st Shift) are completed and two (2) approvals are completed for 2nd & 3rd Shift New Accounts. Evidence of review is noted by the reviewer's initials on the Deal Sheet.

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months☐ Six Months☐ Nine Months☒ One Year

Attach copies of checklists, notes and audit findings/observations

Route to GFT's AML Compliance Officer for record keeping



# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: **12/22/09** Audit Location: **Global Forex Trading - Ada, Michigan**

Area / Process Audited: **GFT's AML Policies & Procedure - Section 7 - Account Evaluation**

Related Documents: **AML Procedure**

Auditor(s): **Alan Lund**

Audit Results: # of Deficiencies: **0** # of Recommendations: **0**

### Comments:

Audit of Section 7 - Account Evaluation:

No Deficiencies noted in this section.

The OFAC list is updated on a weekly basis; current listing available to employees updated 12/2/08.

Distribution List by Country maintained by Compliance Department and distributed as updated. GFT Distributed List compared to the US Treasury Department list of OFAC Countries verified current. Also compared individuals identified in Belarus to GFT Distributed List which verified current.

AML procedure specifies the location to obtain a listing of Non-Cooperative Countries. A listing of these countries is distributed to personnel and is available on GFT's Intranet. Current NCCT listing indicates that there were no Non-Cooperative Countries and Territories as of October 13, 2006.

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months ☐ Six Months ☐ Nine Months ☒ One Year

Attach copies of checklists, notes and audit findings/observations  
Route to GFT's AML Compliance Officer for record keeping



# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: **12/22/09** Audit Location: **Global Forex Trading - Ada, Michigan**

Area / Process Audited: **GFT's AML Policies & Procedure - Section 8 - Reporting Requirements**

Related Documents: **AML Procedure**

Auditor(s): **Alan Lund**

Audit Results: # of Deficiencies: **0** # of Recommendations: **0**

### Comments:

Audit of Section 8 - Reporting Requirements:

No Deficiencies noted in the section.

SAR activity is noted in the Monthly Reports. Reviewed reports for September and November 2009. Reports available and on file as specified. AML Procedure specifies that reports are maintained for 2 years on-site.

GFT began using a new electronic SAR filing system in September 2009 (BSA-E Filing). System provides acknowledgement and status of filed SARs. Approx 105 SARs filed via BSA-E system since September 2009.

Approx 386 total SARs were filed in 2009 year (to date). Examples reviewed:

- Arthur Gay, #269705 . . . SAR . . . Note SF Account at Zero
- Ann Koh, ID# 469271 . . . SAR, Filed 5/09

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months ☐ Six Months ☐ Nine Months ☒ One Year

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# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: **12/22/09**Audit Location: **Global Forex Trading - Ada, Michigan**Area / Process Audited: **GFT's AML Policies & Procedure - Section 9 - AML Records**Related Documents: **AML Procedure**Auditor(s): **Alan Lund**Audit Results: # of Deficiencies: **0**# of Recommendations: **0**

### Comments:

Audit of Section 9 - AML Records:

No Deficiencies and/or Recommendations noted in the section.

Reviewed example customer files (as noted in Section 6). Files were complete and contained all specified information.

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months
 ☐ Six Months
 ☐ Nine Months
 ☒ One Year

Attach copies of checklists, notes and audit findings/observations  
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# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: **12/23/08** Audit Location: **Global Forex Trading - Ada, Michigan**

Area / Process Audited: **GFT's AML Policies & Procedure - Section 10 - Web Site Detail**

Related Documents: **AML Procedure**

Auditor(s): **Alan Lund**

Audit Results: # of Deficiencies: **0** # of Recommendations: **0**

### Comments:

Audit of Section 10 - Web Site Detail:

No Deficiencies noted in the section.

### Overall Rating of Process / Area Audited

Ineffective, improvement required				Implemented, but opportunities for improvement exist.			Fully implemented, effective, continuously improving.		
1	2	3	4	5	6	7	8	9	10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Recommendation for next audit of this area:

☐ Three Months ☐ Six Months ☐ Nine Months ☒ One Year

Attach copies of checklists, notes and audit findings/observations  
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# Global Forex Trading

INSERT 9

## Audit Summary Report

Audit Date: 12/22/08 Audit Location: Global Forex Trading - Ada, Michigan

Area / Process Audited: Section 11 - Improvement Suggestions / Recommendations

Related Documents: GFT Processes

Auditor(s): Alan Lund

Audit Results: # of Deficiencies: 0 # of Recommendations: 1

### Comments:

1. Discussed "Sample Size" of AML review. Personnel stated that GFT has added full time staff to conduct more frequent reviews / audits. Process appears to be strong.
2. Suggestions / Recommendations as presented in 2008 have been and/or are in the process of implementation.
3. GFT has several Compliance Manual, i.e., Risk Compliance Manual and Compliance Procedures Manual. Each of these documents contain AML-specific procedures, example:  
 Risk Compliance Manual: Audit - AML Forex, dated 8/15/09  
 Audit - AML Futures, dated 1/7/09

Compliance Procedures: AML - Monthly Reviews  
 AML - Futures Reviews

### **Recommendation:**

Review processes and/or systems to ensure that these documents are not in conflict with the FCM Manual and the designated AML policies. It is anticipated that the final implementation of CEBOS MQ1 will be very helpful in providing coordination.

**Attach copies of checklists, notes and audit findings/observations**  
**Route to GFT's AML Compliance Officer for record keeping**

### 2009 AML Audit Comments:

**Section #11 - Recommendation** –Review processes and/or systems to ensure that these documents are not in conflict with the FCM Manual and the designated AML policies. It is anticipated that final implementation of CDBOX MQ1 will be very helpful in providing coordination.

Comment – All managers reviewed AML policy in FCM manual and compared it against current processes. Confirmation of findings below:

- Betsy Myers – current processes ok
- Stephanie Bromm
  - 1) Changes made to AML policy in FCM manual to keep policy in compliance with current processes:
    - a. Changed Evaluation of Accounts section – deleted information about reporting applications from citizens/residents of OFAC countries to the NFA (Interpretive Notice to NFA rule 2-9)
    - b. Added information that specifies we will report SDNs who attempt to open accounts to the federal government (Interpretive Notice to NFA rule 2-9)
    - c. SAR reporting requirements updated –this is an NFA requirement per notice on 1-04-03
  - 2) Updated accounting policies regarding Credit Card Minimums and changed 90 day requirement to 60 day
- Jennifer Christiansen – updated Communications procedures (not AML related)
  - a) Added “conflicts of interests” information to website audits section (per new Aussie policy)
  - b) Added new procedure on Authorization of Representatives
  - c) Added verbiage to the Standards of Conduct to address “Conflicts of Interest”
- Jessica Vickery – changes ok, Aussie AML information found in the Appendix to AML policy
- Marcy Crites – see changes under Stephanie Bromm

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High Frequency Trading

15. Does CFTC plan to subpoena proprietary trading firms, otherwise known as “High Frequency Trading”, to obtain source code for their trading programs.

**Response:** The Commission is developing a concept release on risk controls and system safeguards for automated trading environments. The concept release would offer the broader public an opportunity to give the Commission feedback on technology-driven changes in Commission regulated markets. The draft release covers potential risk controls and system safeguards to help ensure the safety and soundness of markets.

16. Should CFTC be focusing on new areas of regulation when it has yet to complete the rulemaking required by Dodd-Frank?

**Response:** The CFTC has been directed by Congress to oversee the swaps market as well as the futures market that it has traditionally regulated. The Commission’s actions are intended to carry out the agency’s mission.

Lawsuits

17. Please provide a list of all legal challenges CFTC has faced or is facing against its rulemakings since FY 2009. Provide the rule reference, the legal citation for the rule’s authority, the provisions of the rule or legal authority being challenged, a summary of the complaints of each challenge and the current status of the legal challenge.

**Response:** International Swaps & Derivatives Ass’n., et al. v. CFTC

- (1) Rule reference – 17 C.F.R. § 151 (position limits for futures and swaps).
- (2) Legal citation for the rule’s authority – 7 U.S.C. §§ 1a, 2, 5, 6, 6a, 6f, 6t, 12a, 19.
- (3) Provisions of rule or legal authority being challenged – 17 C.F.R. § 151.
- (4) Summary of complaint – Initially, the plaintiffs filed this matter in the United States Court of Appeals for the D.C. Circuit. Int’l Swaps & Derivatives Ass’n, et al. v. CFTC, No. 11-1469. On January 20, 2012, the D.C. Circuit dismissed the appeal for lack of jurisdiction, ruling that this matter should have been filed in the U.S. District Court as an initial matter.

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Subsequently, the plaintiffs filed a complaint in the U.S. District Court for the District of Columbia alleging that (i) the Commission failed to determine that the position limits rule is necessary and appropriate, as required by the CEA; (ii) the Commission's cost benefit analysis is insufficient; (iii) the rule is arbitrary and capricious; (iv) certain elements of the rule are not supported by a reasonable explanation; and (v) the Commission failed to give proper notice as to certain issues decided in the rule.

- (5) Current status – The district court ruled in favor of the plaintiffs, vacating the Commission's position limits rule. *International Swaps & Derivatives Ass'n, et al. v. CFTC*, 887 F. Supp. 2d 259 (D.D.C. 2012). The CFTC filed a notice of appeal on November 15, 2012. The CFTC filed its brief in the United States Court of Appeals for the D.C. Circuit on April 5, 2013.
- Investment Company Institute, et al. v. CFTC**
- (1) Rule reference – 17 C.F.R. § 4.5 (requiring certain advisors to mutual funds and registered investment companies to register with the Commission as commodity pool operators) and 4.27 (new reporting obligations for commodity pool operators)
  - (2) Legal citation for rule's authority - 7 U.S.C. §§ 1a, 2, 4, 6(c), 6b, 6c, 6l, 6m, 6n, 12a, and 23.
  - (3) Provisions of rule or legal authority being challenged – 17 C.F.R. § 4.5 and 4.27.
  - (4) Summary of complaint – The plaintiffs filed a complaint in the United States District Court for the District of Columbia alleging that the rules are arbitrary, without legal basis, in excess of authority, and not supported by a proper cost benefit analysis.
  - (5) Current status - the district court ruled in favor of the Commission on both registration and reporting on December 12, 2012. *Investment Co. Institute, et al. v. CFTC*, \_\_\_ F.Supp. 2d \_\_\_, 2012 WL 6185735, *Comm. Fut. L. Rep. (CCH)* ¶ 32,471 (D.D.C. Dec. 12, 2012). Plaintiffs filed a notice of appeal in the United States Court of Appeals for the D.C. Circuit on December 27, 2012. On June 25, 2013, a panel of the D.C. Circuit affirmed the District Court's ruling, agreeing with the District Court's judgment that the Commission did not act unlawfully in promulgating the regulations at issue.
- CME v. CFTC**
- (1) Rule reference – 17 C.F.R. § 45 (swap data recordkeeping and reporting)
  - (2) Legal citation for rule's authority – 7 U.S.C. §§ 6r, 7, 7a-1, 12a and 24.
  - (3) Provisions of rule or legal authority being challenged – 17 C.F.R. part 45.
  - (4) Summary of complaint – The Chicago Mercantile Exchange ("CME") filed suit in the U.S. District Court for the District of Columbia seeking to invalidate both Part 45 of the Commission's rules, and a list of frequently

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asked questions (“FAQs”) issued by the Commission staff on October 11, 2012.

- (5) **Current Status – After the Commission granted CME’s application for provisional registration as a swap data repository, the Commission’s staff withdrew the challenged FAQs. The Commission then issued a request for public comment on CME Proposed Rule 1001. The CME moved to voluntarily dismiss the case without prejudice on November 29, 2012.**

**Bloomberg L.P. v. CFTC**

- (1) **Rule Reference – 17 C.F.R. § 39.13(g)(2)(ii)**
- (2) **Legal citation for rule’s authority – 7 U.S.C. § 5b(c)(2)**
- (3) **Provision of rule or legal authority being challenged – 17 C.F.R. § 39.13(g)(2)(ii)**
- (4) **Summary of complaint – The Commission’s Rule 39.13(g)(2)(ii) requires that a derivatives clearing organization set margin requirements that assume a minimum liquidation time of 5 days for financial futures and 1 day for all other products. Plaintiffs allege that this distinction is arbitrary and capricious, that the supporting cost benefit consideration is inadequate, and that the public received insufficient notice due to changes from the notice of proposed rulemaking.**
- (5) **Current status – The complaint was filed in the United States District Court for the District of Columbia on April 16, 2013. On April 25, 2013, Bloomberg served on the Commission a formal request to stay the rule during the pendency of litigation, which is under consideration. On June 7, 2013, the District Court dismissed the case.**

18. Please provide the actual cost to date and the projected cost of each legal challenge.

**Response: Management of litigation associated with the Commission’s rulemakings is conducted by the Office of General Counsel. For each lawsuit, a team of 4-5 attorneys is working on the case that is supported by the Office’s staff. Those attorneys, however, do not dedicate all of their time to the identified lawsuits.**

#### Shelving and Prioritization of Enforcement Cases

Recent testimony before Congress said that CFTC would be forced to “shelve” enforcement cases due to the sequester and a lack of resources.

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19. Please provide a table with showing: the number of staff, the number of cases opened the number of cases closed, the level of funding, the monetary amount of sanctions and orders obtained, and the monetary amount of money actually recovered for the CFTC's division of Enforcement, by fiscal year from 2000 through estimated 2013.

**Response:**

	FTEs	Level of Funding	Cases Opened	Cases Closed	Restitution & Disgorgement	Civil Monetary Penalties	
					Assessed	Assessed	Collected
<b>FY 00</b>	152	\$18,746,000	53	81	\$156,354,057	\$179,811,562	\$3,299,362
<b>FY 01</b>	150	\$20,988,000	44	32	\$7,687,379	\$16,876,335	\$3,170,252
<b>FY 02</b>	144	\$21,406,000	40	43	\$25,748,536	\$9,942,382	\$5,922,387
<b>FY 03</b>	146	\$24,336,000	64	47	\$106,785,796	\$110,264,932	\$87,699,077
<b>FY 04</b>	155	\$25,343,000	83	70	\$96,274,375	\$302,049,939	\$122,468,925
<b>FY 05</b>	135	\$25,913,000	69	53	\$87,424,932	\$76,672,758	\$34,163,077
<b>FY 06</b>	132	\$26,245,000	38	53	\$258,475,451	\$192,921,794	\$12,364,509
<b>FY 07</b>	112	\$25,791,000	41	63	\$296,623,405	\$345,614,139	\$12,137,848
<b>FY 08</b>	113	\$28,730,000	40	66	\$402,967,919	\$234,835,121	\$140,745,252
<b>FY 09</b>	121	\$36,168,000	50	48	\$176,185,109	\$99,489,609	\$17,362,486
<b>FY 10</b>	149	\$42,217,000	57	38	\$65,523,151	\$136,040,764	\$75,111,676
<b>FY 11</b>	164	\$37,051,000	99	76	\$181,844,807	\$316,682,679	\$11,343,236
<b>FY 12</b>	168	\$36,020,000	102	97	\$456,581,900	\$475,360,925	\$257,562,359
<b>FY 13 (as of 5/1/13)</b>	156	\$34,882,000*	39	49	\$147,036,767	\$1,426,969,056	\$1,032,148,185
<b>Total</b>	<b>1,997</b>	<b>\$403,836,000</b>	<b>819</b>	<b>816</b>	<b>\$2,301,472,147</b>	<b>\$3,923,531,995</b>	<b>\$1,815,498,631</b>

\*The level of funding for FY 2013 is for the complete fiscal year; the other measurements for FY 2013 are for the period through May 1, 2013.

20. Please provide a projection showing the number of cases that will need to be shelved due to budgetary constraints.

**Response:** We are constantly faced, as any law enforcement agency is, with making priorities as to which cases to pursue. But what we have found, because of the financial crisis of 2008 and because of the passage of Dodd-Frank and some of the changes in the

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**marketplace, that we're increasingly faced with complex cases and complex investigations. We don't have sufficient staff to address them.**

21. Please provide an estimate of the FTEs and resources needed to conduct a clearinghouse examination.

**Response: The examination of the CME Clearinghouse required 5 FTE. Additional expenses such as travel were not substantial because the DCO is located in the same city as the Commission's regional staff responsible for the exam.**

22. Please provide an estimate of the FTEs and resources expended in pursuing the LIBOR investigation.

**Response: Over the five years since inception of the LIBOR matter, CFTC staff estimate that approximately 12 CFTC Division of Enforcement lawyers and investigators, as well as supervisory personnel, have expended approximately 40,000 hours and incurred approximately \$1 million in related expenses.**

23. Please provide an estimate of the FTEs and resources necessary to conduct verification of customer funds at all U.S. based Futures Commission Merchants.

**Response: The Commission currently has 42 staff that perform the examination and oversight function. This is down 13% from fiscal year end 2012 and 42% below the estimate in the President's FY 2013 budget request. At a normal attrition rate, 39 staff at FYE 2013 are anticipated without any new hires. Estimated staff needed to perform the oversight function of FCMs is 52 examiners.**

Systemically Important Financial Institutions (SIFIs)

24. Please provide a list of all the SIFIs under the CFTC's jurisdiction that have been designated as such by the Financial Stability Oversight Council. Please include Global SIFIs as identified by the Financial Stability Board.

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FY 2014 Budget Projections

25. Please provide the estimated funding levels CFTC would have under a Continuing Resolution and sequestration in FY 2014. Assume the IT transfer under Section 730 of PL 112-74 remains in place.

FY 2014 CFTC CR – Sequestration Budget Projections (\$ thousands)					
Appropriation	Appropriated Amount	ATB (0.2%) Reduction	Sequester Amount	IT to S&E Transfer	Net Amount
Salaries and Expenses	150,294	(301)	(7,578)	10,000	152,416
IT Investments	55,000	(110)	(2,750)	(10,000)	42,140
<b>Total</b>	<b>205,294</b>	<b>(411)</b>	<b>(10,328)</b>	<b>0</b>	<b>194,556</b>

26. Please provide a furlough and RIF plan under such a scenario.

**Response:** As FY 2014 approaches, the Commission will continue to monitor closely the factors that would affect the need to set in place any furlough or RIF. Such a need would be influenced by the rate of attrition and other considerations. Beyond those considerations, the CFTC's hardworking team is just 9 percent more in numbers than at our peak in the 1990s. Yet since that time, the futures market has grown five-fold, and the swaps market is eight times larger than the futures market. Investments in both technology and people are needed for effective oversight of these markets by regulators.

Though data has started to be reported to the public and to regulators, we need the staff and technology to access, review and analyze the data. Though data has started to be reported to the public and to regulators, we need the staff and technology to access, review and analyze the data. With 80 entities having registered as new swap dealers and major swap participants, we need people to answer their questions and work with the NFA on the necessary oversight to ensure market integrity. Furthermore, as market participants expand their technological sophistication, CFTC technology upgrades are critical for market surveillance and to enhance customer fund protection programs.

This is an incredibly strained budget environment. But without sufficient funding for the CFTC, the nation cannot be assured this agency can closely monitor for the protection of customer funds and utilize our enforcement arm to its fullest potential to go after bad actors in the futures and swaps markets. Without sufficient funding for the CFTC, the nation cannot be assured that this agency can effectively enforce essential rules

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**that promote transparency and lower risk to the economy. To fulfill this mission for the benefit of the public, the President requested \$315 million for fiscal year 2014 and 1,015 full-time employees.**

MF Global

Bloomberg News reported this past July that a 15 page internal memo by CFTC attorneys states:

“This review concludes that Chairman Gensler was not required to withdraw from matters involving [MF Global International]...From a legal and ethical perspective, Chairman Gensler's participation in Commission matters involving [MF Global] was not improper.”

27. Please provide a copy of that memo for the record.

**Insert 10**




**U.S. COMMODITY FUTURES TRADING COMMISSION**


Three Lafayette Centre  
1155 21st Street, NW, Washington, DC 20581  
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Facsimile: (202) 418-5524

Office of General Counsel

**CONFIDENTIAL MEMORANDUM**

**TO:** Chairman Gensler

**FROM:** Dan M. Berkovitz   
General Counsel and Designated Agency Ethics Official

John P. Dolan   
Counsel and Alternate Designated Agency Ethics Official

**DATE:** December 13, 2011

**SUBJECT:** Participation in Matters Concerning MF Global, Inc.

**I. Introduction and Summary**

Pursuant to 5 C.F.R. § 2635.502, the Commodity Futures Trading Commission (CFTC or Commission) designated agency ethics official (DAEO) has undertaken this review of the participation of CFTC Chairman Gary Gensler in certain CFTC matters regarding MF Global, Inc. (MFGI), a futures commission merchant (FCM) registered with the CFTC. During the 1980s and 1990s Chairman Gensler and the former President and Chief Executive Officer (CEO) of MFGI, Jon Corzine, worked together and were partners at Goldman Sachs (GS), an investment bank.<sup>1</sup>

On November 3, 2011, the General Counsel and DAEO provided Chairman Gensler with an oral opinion that the Chairman was not required to withdraw from participation in MFGI matters as a result of his prior relationship with Mr. Corzine. On that same date Chairman Gensler nonetheless elected to not participate in enforcement matters related to MFGI.<sup>2</sup> Following this

<sup>1</sup> Mr. Corzine resigned as President and CEO of MFGI on Friday, November 4, 2011.

<sup>2</sup> On November 8, 2011, Chairman Gensler executed a "Statement of Non-Participation." This statement explained the Chairman's decision: "With respect to the recent matters involving MF Global, the staff at the CFTC is working hard to recover customers' funds and to find out what happened to the missing customer money and how it happened. The CFTC has a tremendously capable staff and I do not want my participation to be in any way a distraction in this important matter."

decision, the General Counsel and DAEO and ADAEO decided to undertake this review to determine whether Chairman Gensler's participation in matters involving MFGI was appropriate.

Based on the facts and circumstances detailed in this memorandum, and based upon the standards set forth in 5 C.F.R. § 2635.502, this review concludes that Chairman Gensler was not required to withdraw from matters involving MFGI. From a legal and ethical perspective, Chairman Gensler's participation in Commission matters involving MFGI was not improper.

## II. Factual Background

### A. MF Global, Inc.

#### *Subsidiary of MF Global*

MG Global is a financial business comprising a holding company, MF Global Holdings Ltd., a Delaware corporation headquartered in New York City, and a variety of subsidiaries located in the United States and other countries.<sup>3</sup> One of the subsidiaries is MFGI, which is an FCM registered with the CFTC as well as a securities broker-dealer registered with the SEC.<sup>4</sup> According to the Annual Report (SEC Form 10-K) filed by MF Global Holdings Ltd. in May 2011, MF Global is a broker in markets for commodities and listed derivatives and a broker-dealer in markets for commodities, fixed income securities, equities, and foreign exchange.<sup>5</sup>

#### *MFGI Bankruptcy*

On October 31, 2011, the Securities Investor Protection Corporation (SIPC) filed an application for the entry of a protective order in the U.S. Bankruptcy Court placing MFGI in liquidation under the Securities Investor Protection Act (SIPA). On that same date, "the Commission's Division of Enforcement opened an investigation into whether the Commodity Exchange Act (CEA) or Commission regulations were violated in connection with MFGI, and the Commission [ ] authorized the Division to issue subpoenas."<sup>6</sup>

In a filing on November 2, the Commission informed the Bankruptcy Court that it "intends to take all appropriate action, within the purview of the Bankruptcy Code and the [CEA], to ensure that customers maximize their recovery of funds and to discover the reason for the shortfall in

<sup>3</sup>MF Global Holdings Ltd. Form 10-K for fiscal year ended March 31, 2011 at 1, <http://www.sec.gov/Archives/edgar/data/1401106/000119312511145663/d10k.htm> (accessed November 6, 2011); see Disclaimer, MF Global Website, <http://www.mfglobal.com/disclaimer> (accessed November 6, 2011).

<sup>4</sup>Disclaimer, MF Global Website, <http://www.mfglobal.com/disclaimer> (accessed November 6, 2011).

<sup>5</sup>MF Global Holdings Ltd. Form 10-K for fiscal year ended March 31, 2011 at 5, <http://www.sec.gov/Archives/edgar/data/1401106/000119312511145663/d10k.htm> (accessed November 6, 2011).

<sup>6</sup>CFTC Press Release, PR6140-11, November 10, 2011.

segregation.”<sup>7</sup>

Key officials

Jon S. Corzine was the Chairman and Chief Executive Officer of MF Global Holdings Ltd. until his recent resignation.<sup>8</sup> According to the MF Global website, Mr. Corzine also is an operating partner at J.C. Flowers & Co. LLC.<sup>9</sup> According to the MF Global website, Mr. Corzine joined GS as a fixed income trader in 1975 and subsequently served as chief financial officer and as chairman and senior partner from 1994 through 1999.<sup>10</sup>

Bradley I. Abelow is the President and Chief Operating Officer of MF Global Holdings Ltd.<sup>11</sup> According to the MF Global website, Mr. Abelow previously was a partner and managing director of GS, where he managed the operations group.<sup>12</sup> Earlier he was responsible for GS’s operations, technology, risk, and finance functions in Asia.<sup>13</sup> He joined GS in 1989.<sup>14</sup>

Laurie R. Ferber is the General Counsel of MF Global Holdings Ltd.<sup>15</sup> According to the MF Global website, Ms. Ferber worked for GS for over 20 years beginning in 1987.<sup>16</sup> She held a number of different positions including serving as co-general counsel of the Fixed Income,

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<sup>7</sup> Statement of Commodity Futures Trading Commission in Support of the Trustee’s Emergency Motion for an Order Approving the Transfer of Certain Segregated Customer Commodity Accounts of MF Global Inc. and Related Margin and Motion for Expedited Hearing, MFGI Bankruptcy Case, November 2, 2011.

<sup>8</sup> Executive Officers Biography, MF Global Website, <http://www.mfglobalinvestorrelations.com/phoenix.zhtml?c=194911&p=irol-govManage> (accessed November 6, 2011).

<sup>9</sup> Executive Officers Biography, MF Global Website, <http://www.mfglobalinvestorrelations.com/phoenix.zhtml?c=194911&p=irol-govBio&ID=198970> (accessed November 6, 2011).

<sup>10</sup> *Id.*

<sup>11</sup> Executive Officers Biography, MF Global Website, <http://www.mfglobalinvestorrelations.com/phoenix.zhtml?c=194911&p=irol-govManage> (accessed November 6, 2011).

<sup>12</sup> Executive Officers Biography, MF Global Website, <http://www.mfglobalinvestorrelations.com/phoenix.zhtml?c=194911&p=irol-govBio&ID=204097> (accessed November 6, 2011).

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> Executive Officers Biography, MF Global Website, <http://www.mfglobalinvestorrelations.com/phoenix.zhtml?c=194911&p=irol-govManage> (accessed November 6, 2011).

<sup>16</sup> Executive Officers Biography, MF Global Website, <http://www.mfglobalinvestorrelations.com/phoenix.zhtml?c=194911&p=irol-govBio&ID=186545> (accessed November 6, 2011).

Currency and Commodities Division and launching and running the economic derivatives business.<sup>17</sup>

J. Christopher Flowers is the founder and executive chairman of J.C. Flowers & Co. LLC, a private equity firm.<sup>18</sup> According to press reports, J.C. Flowers & Co. owns preferred stock in MF Global that, if converted to common stock, would amount to 6% of the total.<sup>19</sup> Also according to press reports, Mr. Flowers worked with Mr. Corzine at GS and later recommended that Mr. Corzine take over as MF Global's chairman and chief executive officer in March 2010.<sup>20</sup>

## **B. Relationship Between Chairman Gensler and Mr. Corzine<sup>21</sup>**

### *Chairman Gensler's Employment at GS*

Chairman Gensler worked at GS from September 1979 until September 1997, when he left to serve as Assistant Secretary of Treasury for Financial Markets.<sup>22</sup> In late 1988, when Chairman Gensler became a partner in the firm, there were approximately 128 partners at GS, including Chairman Gensler and Mr. Corzine.<sup>23</sup>

From his arrival at GS in 1979 until late 1991 or early 1992, Chairman Gensler worked in the Mergers and Acquisitions (M&A) Department.<sup>24</sup> In late 1991 or early 1992, Chairman Gensler and a few other junior partners at the firm were asked to transfer to other departments as part of their career development. The transfers were suggested by Mr. Robert Rubin (the co-Chairman and Co-Senior Partner of GS at the time) and Mr. Corzine (the co-head of the fixed income department (FI) at the time). Mr. Gensler was asked to transfer to FI and agreed.

Chairman Gensler's initial assignment in FI was in the mortgage trading department. In this capacity, he reported to Michael Mortara, who reported to Mr. Corzine and the other co-head of FI, Mr. Mark Winkelman. Chairman Gensler, Mr. Mortara, and Mr. Corzine all worked on the fixed income trading floor.

<sup>17</sup> *Id.*

<sup>18</sup> J.C. Flowers & Co. LLC: Private Company Information – Business Week, (accessed November 6, 2011) <http://investing.businessweek.com/research/stocks/private/snapshot.asp?privcapId=1089967>.

<sup>19</sup> JC Flowers Fund Said to See \$47.8 Million Loss on MF Global – Businessweek (November 2, 2011), <http://www.businessweek.com/news/2011-11-02/jc-flowers-fund-said-to-see-47-8-million-loss-on-mf-global.html> (accessed November 6, 2011).

<sup>20</sup> *Id.*

<sup>21</sup> The facts in this section are based primarily upon an interview with Chairman Gensler conducted on November 4, 2011.

<sup>22</sup> Chairman Gensler served as Assistant Secretary for Financial Markets from September 1997 until April 1999, and as Undersecretary of Treasury for Domestic Finance from April 1999 to January 2001.

<sup>23</sup> By 1997, when Chairman Gensler left GS, there were approximately 190-200 partners at GS.

<sup>24</sup> Chairman Gensler spent approximately 6-12 months during the 1983-1984 time period on the equity trading floor as part of a "mobility program."

In January 1993, Mr. Corzine requested, and Chairman Gensler agreed, that Chairman Gensler serve as co-head of fixed income trading in the GS office in Tokyo, Japan. Chairman Gensler served in this position until late 1994. During this two-year period, Mr. Corzine and Mr. Winkelman were Chairman Gensler's direct supervisors.

In the fall of 1994, Chairman Gensler was asked by Mr. Steve Friedman, who was then co-head of GS with Mr. Rubin, to transfer out of FI to be the head of the Operations, Technology, and Finance Division (OTF) in Asia. Chairman Gensler reported to Mr. John Thain, head of worldwide OTF. Shortly thereafter, Mr. Corzine became the Senior Partner of GS and Chairman of the Management Committee.<sup>25</sup>

Chairman Gensler returned to New York in November 1995 to become co-head of Finance. In this position, Chairman Gensler continued to report to Mr. Thain, who continued to report to Mr. Corzine and Mr. Paulson. As co-head of Finance, Chairman Gensler served on various committees of the firm, including the Risk Committee. Mr. Corzine also was a member of the Risk Committee (which had approximately 10-15 members), and sometimes he participated on other committees, too. Chairman Gensler served as co-head of Finance until he left GS in 1997 for the Treasury Department. Prior to leaving GS, Chairman Gensler visited with Mr. Corzine at the latter's apartment to provide departing observations.<sup>26</sup>

#### *After Chairman Gensler Left GS*

To the best of his recollection, Chairman Gensler believes he did not see Mr. Corzine for three years after Chairman Gensler left GS.<sup>27</sup> While Chairman Gensler served at Treasury, the only time that he saw Mr. Corzine was in late 2000 or early 2001. Then-Senator-elect Corzine had come to the Treasury Department to visit with Secretary of Treasury Lawrence Summers, and following the meeting with Secretary Summers, Mr. Corzine stopped by to say hello to then-Undersecretary Gensler.

In early 2002, Chairman Gensler volunteered to serve as an advisor to Senator Paul Sarbanes on legislation that eventually was enacted as the Sarbanes-Oxley Act. Senator Sarbanes was Chairman of the Senate Committee on Banking, Housing and Urban Affairs and Senator Corzine was a member of the same Committee. In his role as advisor to Senator Sarbanes, Chairman Gensler occasionally spoke with Senator Corzine about the pending legislation. Chairman Gensler also spoke with Senator Corzine while Chairman Gensler, Senator Sarbanes, and Senator Corzine were on the Senate floor during the consideration of the legislation for final Senate passage.

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<sup>25</sup> Executive functions were shared between Mr. Corzine and Mr. Henry Paulson, who served as Chief Operating Partner and Vice-Chairman of the Management Committee. Mr. Thain reported to Mr. Corzine and Mr. Paulson.

<sup>26</sup> Mr. Corzine subsequently left GS in early 1999.

<sup>27</sup> Chairman Gensler believes that he may have spoken with Mr. Corzine once or twice by telephone while serving at Treasury, but cannot specifically recall any such conversations.

In 2003-2004, Chairman Gensler served as Treasurer of the Maryland State Democratic Party. During the same time, Senator Corzine became head of the Democratic Senatorial Campaign Committee. As a result of their fundraising responsibilities, Chairman Gensler saw Senator Corzine at several political events attended by large numbers of people. This included an event to support the campaign of Senator Kerry for President in 2004, which was attended by approximately 400 others, including other members of Congress.

In 2005, Chairman Gensler was invited to a fundraiser in Washington, DC, for the New Jersey State Democratic Party. Approximately 100 people attended, including both Senator Corzine and the other Senator from New Jersey, Senator Frank Lautenberg. At the time, Senator Corzine was campaigning to be elected Governor of New Jersey. As a participant in the fundraiser, Chairman Gensler contributed \$10,000 to the New Jersey State Democratic Party (as he similarly contributed to the State Democratic Party of several other States), which earned him the title of being a "host" of the fundraiser.<sup>28</sup> Chairman Gensler did not see Governor Corzine for another three years.

During the primary season for the 2008 Presidential campaign, Chairman Gensler first served as an unpaid senior advisor to the campaign of then-Senator Hilary Clinton. Chairman Gensler recalls speaking with Governor Corzine on a couple of occasions to answer Governor Corzine's questions about Senator Clinton's positions on various policy issues. Chairman Gensler recalls seeing Governor Corzine at a fundraising event in New Jersey in either August or September of 2008 for then-Senator Obama.

*Chairman Gensler's Tenure at the CFTC*

Chairman Gensler began serving as Chairman of the CFTC in May 2009. At the time he joined the CFTC, Chairman Gensler determined not to participate in any CFTC matters involving GS.

Shortly after joining MFGI in March 2010, Mr. Corzine met with Chairman Gensler and the Chairman's staff at CFTC headquarters. Mr. Corzine requested the meeting, which Chairman Gensler recalls as a "meet and greet" and that Mr. Corzine did not make any specific requests to Chairman Gensler.

In November 2010, Mr. Corzine asked Chairman Gensler to speak at a seminar at Princeton University that Mr. Corzine was conducting on financial institutions and regulation.<sup>29</sup> Mr. Andrew Ross Sorkin also spoke at this seminar, and Mr. Corzine introduced both of them. Following the seminar, Chairman Gensler joined Mr. Corzine and approximately 15-20 students for dinner.<sup>30</sup> Chairman Gensler and Mr. Corzine did not discuss any issues relating to MFGI while Chairman Gensler was at Princeton.

<sup>28</sup> Chairman Gensler's contribution was to the New Jersey State Democratic Party, not directly to Senator Corzine's campaign for Governor.

<sup>29</sup> A copy of Chairman's Gensler's speech can be found at: <http://www.cftc.gov/PressRoom/SpeechesTestimony/2010/index.htm>. (last visited Nov. 6, 2011).

<sup>30</sup> Mr. Sorkin was unable to stay for the dinner.

In December 2010, Mr. Corzine and Ms. Ferber met with Chairman Gensler and other CFTC staff. Chairman Gensler does not recall the subject of the meeting or the matters discussed.

In June 2011, Chairman Gensler was the keynote speaker at lunch at a conference sponsored by Sandler O'Neill and Partners, an investment banking and broker/dealer firm.<sup>31</sup> Mr. Corzine was seated at the same table as Chairman Gensler during the lunch. The invitation did not come from Mr. Corzine, and Chairman Gensler and Mr. Corzine did not discuss any issues relating to MFGI while Chairman Gensler was at the conference.

In September 2011, Chairman Gensler and Mr. Corzine were both wedding guests of mutual acquaintances. Chairman Gensler and Mr. Corzine did not discuss any issues relating to MFGI while attending the wedding.

Chairman Gensler has been on two conference calls with Mr. Corzine during his term as Chairman of the CFTC. The first, on July 20, 2011, was a conference call to discuss topics relating to a rulemaking regarding CFTC Rules 1.25 and 30.7.<sup>32</sup> Second, Chairman Gensler participated in a series of conference calls with other regulatory authorities and MFGI during the days leading up to the filing of the MFGI bankruptcy proceedings. Chairman Gensler is aware that Mr. Corzine was on the line for at least part of one of these calls, regarding the European bond portfolio.<sup>33</sup> Since becoming Chairman of the CFTC, Chairman Gensler has not had any private telephone conversations with Mr. Corzine.<sup>34</sup>

#### Summary

Chairman Gensler worked with Mr. Corzine during the last 6 years of Chairman Gensler's tenure at GS. During two of those years (1993-1994), Chairman Gensler reported directly to co-heads Messrs. Corzine and Winkelman; during the other four years, Mr. Corzine was his second-level supervisor. Their relationship during this period was solely professional. Chairman Gensler and

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<sup>31</sup> The firm regularly sponsors such conferences. See, e.g., <https://register.sandleroneill.com/conferences/> (last visited Nov. 6, 2011).

<sup>32</sup> A record of this call can be found at [http://www.cftc.gov/LawRegulation/DoddFrankAct/ExternalMeetings/dfmeeting\\_072011\\_928](http://www.cftc.gov/LawRegulation/DoddFrankAct/ExternalMeetings/dfmeeting_072011_928) (last visited Nov. 7, 2011). In response to media questions as to whether a delay in consideration of this rulemaking showed favoritism to MFGI, Chairman Gensler has stated that he has "been consistent on this rule, and I allowed more time for others to continue to look at it." See Silla Brush, Bloomberg, "MF Global Didn't Get Preferential Treatment, CFTC's Gensler," Nov. 7, 2011.

<sup>33</sup> It is possible that Mr. Corzine was on the line during other portions of these conference calls.

<sup>34</sup> On November 8, 2011, BNA reported that Chairman Gensler and Mr. Corzine spoke shortly after Mr. Corzine resigned from his positions at MF Global. See Steven Joyce, BNA, "Gensler Says Recusal Decision Made Days Before Corzine Resignation, Grassley Letter," Nov. 8, 2011. This report is not accurate; the reported conversation between Chairman Gensler and Mr. Corzine did not occur.

Mr. Corzine did not socialize or spend time together apart from their mutual professional activities.<sup>35</sup>

Since the time they worked together at GS over 14 years ago, Chairman Gensler's contacts with Mr. Corzine have been infrequent. Generally, they have met when they both were present at a function organized by others. Similarly, Chairman Gensler has not socialized with Mr. Corzine after his departure from GS, nor have their families socialized with each other. Chairman Gensler and Mr. Corzine do not correspond with each other; Chairman Gensler does not recall any emails or other electronic communications between himself and Mr. Corzine for at least as far back as ten years. Chairman Gensler does not carry Mr. Corzine's personal phone number in his cell phone directory.

Chairman Gensler and Mr. Corzine have never attended any of each other's major non-professional life-events during the entire time they have known each other. Mr. Corzine did not attend Chairman Gensler's wedding (which occurred while Chairman Gensler was at GS), the bat-mitzvahs of Chairman Gensler's daughters, or the funeral of Chairman Gensler's wife. Similarly, Chairman Gensler did not attend Governor Corzine's inaugural in 2005 or his wedding in 2010.

Chairman Gensler did not ask Mr. Corzine for support of his nomination as CFTC Chairman. He has never contributed directly to any of Mr. Corzine's electoral campaigns. He has raised money for several national Democratic figures, but has never solicited a campaign contribution for Mr. Corzine. Nor does he recall ever soliciting a campaign contribution from Mr. Corzine.

#### **C. Relationship Between Chairman Gensler and Other Former GS Officials Working For or On Behalf Of MFGI<sup>36</sup>**

Certain other current MFGI employees and officials previously worked at GS at the same time as Chairman Gensler. Chairman Gensler's relationship with these individuals is as follows:

##### *Brad Abelow*

Mr. Abelow became a partner at GS at around the time that Chairman Gensler was leaving GS. At some point, Mr. Abelow became head of OTF in Asia, the position Chairman Gensler had previously occupied. Chairman Gensler recalls that when he was in OTF he and Mr. Abelow had a "weekly to bi-weekly working relationship."

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<sup>35</sup> Chairman Gensler recalls one non-professional interaction that indirectly involved Mr. Corzine during his tenure at GS. In 1991, Chairman Gensler learned that Mr. Corzine had registered to run in the New York City Marathon that year. Chairman Gensler recalls that he asked Mr. Corzine's secretary whether Mr. Corzine actually was going to run the marathon. A few weeks later Mr. Corzine's secretary told Chairman Gensler that Mr. Corzine would not run in the race and would not use the number he had been provided. Mr. Corzine's secretary gave Mr. Corzine's number to Mr. Gensler, who then used Mr. Corzine's bib number in the race.

<sup>36</sup> The facts in this section are based primarily upon an interview with Chairman Gensler conducted on November 4, 2011.

After leaving GS, Chairman Gensler did not see Mr. Abelow until August or September 2008, at a fundraiser for the Presidential campaign of then-Senator Obama. As previously noted, Governor Corzine also attended this event. At the time, Mr. Abelow was Governor Corzine's Chief of Staff. Chairman Gensler recalls speaking to Mr. Abelow for approximately five to ten minutes at this event.

Chairman Gensler believes it is possible that he may have spoken to Mr. Abelow on one or more occasions in his capacity as Governor Corzine's Chief of Staff to facilitate the discussions with Governor Corzine previously noted during the Presidential primary season prior to the 2008 election. After that, Chairman Gensler did not speak with Mr. Abelow again until one of the multi-party conference calls between regulators and MFGI during the weekend prior to the bankruptcy filing of MFGI.

Chairman Gensler and Mr. Abelow did not have a social relationship apart from their professional relationship at GS.

#### Christopher Flowers

Chairman Gensler began working with Mr. Flowers in the M&A department at GS upon his arrival at GS in 1979. They worked together in M&A for approximately 12 years—until Chairman Gensler was transferred from M&A to FI. While Chairman Gensler was in the M&A department, he and Mr. Flowers frequently discussed M&A issues and strategies, but Chairman Gensler and Mr. Flowers specialized in different industries and, to the best of his recollection, did not work together on any specific deals.

After Chairman Gensler left GS, Mr. Flowers visited him once at the Treasury Department. Chairman Gensler recalls that as part of this visit they may have had lunch together.

Chairman Gensler does not recall seeing Mr. Flowers in person since that meeting at the Treasury Department. Mr. Flowers called Chairman Gensler twice at the CFTC. With respect to the first call, Chairman Gensler recalls that Mr. Flowers expressed condolences that his wife had passed away, and he provided Chairman Gensler with the name of an individual who was knowledgeable about financial market regulation.<sup>37</sup> Mr. Flowers did not ask for any action by Chairman Gensler or the CFTC.

In connection with the MFGI matter, Mr. Flowers called Chairman Gensler on October 31, 2011, before Chairman Gensler arrived at the office. Chairman Gensler returned Mr. Flowers' call after he arrived at the office. Several other CFTC employees were present in Chairman Gensler's office for the call and several individuals were present with Mr. Flowers, including Mr. Goldfield, Henri Steenkamp (Chief Financial Officer) and another MFGI official. The MFGI officials on the call provided the call participants with information regarding MFGI's financial status.

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<sup>37</sup> Chairman Gensler did not contact that individual and does not recall his or her name.

Chairman Gensler and Mr. Flowers did not have a social relationship apart from their professional relationship at GS.

Laurie Ferber

At the time that Chairman Gensler was in FI at GS, Ms. Ferber was a senior compliance officer/attorney at the firm. Chairman Gensler believes that he may have spoken with Ms. Ferber on one or more compliance matters when he was in FI, but he does not recall anything specific.

After leaving GS, Chairman Gensler did not have any contact with Ms. Ferber until he met with the Board of Directors of the Futures Industry Association (FIA) in September 2010. At the time, Ms. Ferber represented MFGI on the FIA Board of Directors. Ms. Ferber also attended the meeting between Mr. Corzine and CFTC officials, including Chairman Gensler, in December 2010. Ms. Ferber also was on the July 20, 2011, conference call between MFGI officials (including Mr. Corzine) and CFTC officials, including Chairman Gensler, concerning topics relating to a CFTC rulemaking regarding Rules 1.25 and 30.7. Chairman Gensler does not believe that he met or spoke with Ms. Ferber after that, until she participated in one or more multi-party conference calls between MFGI and regulators prior to the bankruptcy filing.

Chairman Gensler and Ms. Ferber did not have a social relationship apart from their professional relationship at GS.

Jacob Goldfield

Chairman Gensler first met Mr. Goldfield in late 1991 or early 1992, after Chairman Gensler began working in FI. Mr. Goldfield also worked in FI, trading options on the government bond desk.

At the time that Chairman Gensler was co-head of fixed income trading in Tokyo, he also had co-supervisory responsibility for the trading of Yen currency swaps conducted in Asia. At the same time, Mr. Goldfield, who was located in New York, had supervisory responsibility for the worldwide GS swap book. Accordingly, Chairman Gensler and Mr. Goldfield had overlapping responsibilities with respect to the GS Yen swap book. Chairman Gensler recalls that he and Mr. Goldfield also later may have served together on the Risk Committee.

Mr. Goldfield visited Chairman Gensler on one occasion at the CFTC. During the consideration of the Dodd-Frank legislation, Mr. Goldfield met with Chairman Gensler and at least one other member of the Chairman's staff. Mr. Goldfield told the Chairman that he was doing good work and if he ever needed anything, to give him a call. Chairman Gensler does not recall any other meetings with Mr. Goldfield since Chairman Gensler left GS.

On October 30, 2011, Mr. Goldfield e-mailed Chairman Gensler to inform him that he was at MF Global "in case there are questions." Mr. Goldfield also informed Mr. Gensler that he had "no financial interest in the company and [was] not looking at it for investment." Mr. Gensler asked Mr. Goldfield whether there were "any observations you wish to pass along?" Mr. Goldfield replied, "Not as of now, I want only to send along novel insights that are useful." Chairman Gensler responded, "Novel and useful. Now those are limiting conditions, though I

would say that most everything you have shared over our long knowing each other has been useful.” Mr. Goldfield then stated, “Also want to make sure that I am right before I comment.” Chairman Gensler does not recall any further comments or information from Mr. Goldfield.

Mr. Goldfield was present at MFGI during one of the conferences call between MFGI and regulators on October 30, 2011. To the best of his recollection, Mr. Goldfield did not speak on the call. A participant from another regulatory agency who was present at MFGI headquarters in New York and who was on the call relayed to Chairman Gensler during the call that Mr. Goldfield walked by and requested that he say “hello to Gensler.”

Mr. Goldfield also was present at MFGI during a conference call between MFGI and regulators on the morning of October 31, 2011.

Chairman Gensler and Mr. Goldfield did not have a social relationship apart from their professional relationship at GS.

### **III. Legal Standard**

The standard for determining whether an employee may participate in a matter affecting the employee’s financial interests, or involving persons with whom the employee has or has had a professional, business, economic, or personal relationship, is set forth in 5 C.F.R. § 2635.502.

Specifically, § 2635.502(a) provides:

(a) *Consideration of appearances by the employee.* Where an employee knows that a particular matter involving specific parties is likely to have a direct and predictable effect on the financial interest of a member of his household, or knows that a person with whom he has a covered relationship is or represents a party to such matter, and where the employee determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to question his impartiality in the matter, the employee should not participate in the matter unless he has informed the agency designee of the appearance problem and received authorization from the agency designee in accordance with paragraph (d) of this section.

(1) In considering whether a relationship would cause a reasonable person to question his impartiality, an employee may seek the assistance of his supervisor, an agency ethics official or the agency designee.

(2) An employee who is concerned that circumstances other than those specifically described in this section would raise a question regarding his impartiality should use the process described in this section to determine whether he should or should not participate in a particular matter.

With respect to a “covered relationship,” § 2635.502(b)(iv) provides that an employee has a “covered relationship” with any person “for whom the employee has, *within the last year*, served

as officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee.” (Emphasis added.)<sup>38</sup>

When the circumstances identified in § 2635.502(a) are not present—i.e., there is no direct and predictable effect on the financial interest of a member of his household, and there is no covered relationship—§ 2635.502(a)(2) provides that the procedures specified in § 2635.502 should still be followed if a question concerning the employee’s impartiality may nevertheless remain.<sup>39</sup>

<sup>38</sup> Section 2635.502(b) provides in full that an employee has a “covered relationship” with:

- (i) A person, other than a prospective employer described in § 2635.603(c), with whom the employee has or seeks a business, contractual or other financial relationship that involves other than a routine consumer transaction;
- (ii) A person who is a member of the employee’s household, or who is a relative with whom the employee has a close personal relationship;
- (iii) A person for whom the employee’s spouse, parent or dependent child is, to the employee’s knowledge, serving or seeking to serve as an officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee;
- (iv) Any person for whom the employee has, within the last year, served as officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee; or
- (v) An organization, other than a political party described in 26 U.S.C. 527(e), in which the employee is an active participant. Participation is active if, for example, it involves service as an official of the organization or in a capacity similar to that of a committee or subcommittee chairperson or spokesperson, or participation in directing the activities of the organization. In other cases, significant time devoted to promoting specific programs of the organization, including coordination of fundraising efforts, is an indication of active participation. Payment of dues or the donation or solicitation of financial support does not, in itself, constitute active participation.

<sup>39</sup> Under these circumstances—where no financial interest is affected and no covered relationship exists—the Office of Government Ethics (OGE) does not consider the failure to follow these procedures to be “an ethical lapse”:

OGE has consistently maintained that, although employees are encouraged to use the process provided by section 2635.502(a)(2), “[t]he election not to use that process cannot appropriately be considered to be an ethical lapse.” OGE Informal Advisory Letter, 94 x 10(2); *see also* OGE 97 x 8 (‘obligation’ to follow process where covered relationships involved, but employees ‘encouraged’ to use process in other circumstances); OGE 95 x 5 (‘not required by 5 C.F.R. 2635.502 to use the process described in that section’ where there is no covered relationship with person who is a party or represents a party); OGE 94 x 10(1)(employee may ‘elect’ to use process in section 2635.502(a)(2), but ‘election not to use that process should not be characterized, however, as an ‘ethical lapse’).

“For example,” the Office of Government Ethics (OGE) explains, “if an employee believes that a personal friendship, or a professional, social, political or other association not specifically treated as a covered relationship, may raise an appearance question, then the employee should use the section 2635.502 process to resolve the question.”<sup>40</sup>

In this event, under the § 2635.502 process, the threshold determination is to “consider whether the employee’s impartiality would reasonably be questioned if the employee were to participate in a particular matter involving specific parties where persons, with certain personal or business relationships with the employee are involved.”<sup>41</sup> If it is determined that the employee’s participation would “raise a question in the mind of a reasonable person about his impartiality,” the agency’s designated ethics official may nonetheless authorize the employee to participate in the matter “based on a determination, made in light of all relevant circumstances, that the interest of the Government in the employee’s participation outweighs the concern that a reasonable person may question the integrity of the agency’s programs and operations.”<sup>42</sup>

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OGE 01 x 8, Impartiality and Romantic Relationships, August 23, 2001. OGE has further indicated that in such circumstances, “even if it were now determined, in hindsight, that a reasonable person with knowledge of the circumstances would question the [person’s] impartiality, we cannot say that she violated the impartiality rule.” *Id.*

<sup>40</sup> OGE, Memorandum dated April 26, 1999, from Stephen D. Potts, Director, to Designated Agency Ethics Officials, Regarding Recusal Obligations and Screening Arrangements, 99 x 8. Under section 2635.502(a)(2), an employee may determine not to participate in a matter due to appearance concerns even if that employee’s withdrawal is not required. *Id.*

<sup>41</sup> *Id.*; 5 C.F.R. § 2635.502(c).

<sup>42</sup> 5 C.F.R. § 2635.502(d). This section provides the following factors that may be considered in making this determination:

- (1) The nature of the relationship involved;
- (2) The effect that resolution of the matter would have upon the financial interests of the person involved in the relationship;
- (3) The nature and importance of the employee’s role in the matter, including the extent to which the employee is called upon to exercise discretion in the matter;
- (4) The sensitivity of the matter;
- (5) The difficulty of reassigning the matter to another employee; and
- (6) Adjustments that may be made in the employee’s duties that would reduce or eliminate the likelihood that a reasonable person would question the employee’s impartiality.

#### IV. Analysis

##### Is there a financial interest or “covered relationship”?

Neither Chairman Gensler nor any member of his household has a financial interest in MFGI, or in any commodity or security interest held by MFGI. More broadly, neither Chairman Gensler nor any member of his household has any other financial interest that would be predictably or directly affected by a CFTC investigation involving MFGI or associated CFTC actions, including participation in the MFGI bankruptcy proceedings, and the recovery of customer funds. Accordingly, the resolution of the MFGI matter would not have a “direct and predictable” effect upon the financial interests of Chairman Gensler or any member of his household. Chairman Gensler does not have a “covered relationship” with MFGI or any of its employees, officers, directors, or shareholders. Chairman Gensler’s partnership with GS, Mr. Corzine, and other partners at GS terminated in 1997, more than 14 years ago. This is far beyond the one-year “cooling off period” provided in § 2635.502(b)(iv) for a person who was a general partner with another person to be considered to have a “covered relationship” with such other person.<sup>43</sup>

##### Is there a reasonable basis to question the employee’s impartiality?

The sole fact that Chairman Gensler at one time was a business partner with Mr. Corzine, without more, does not constitute a reasonable basis, within the meaning of § 2635.502, to question Chairman Gensler’s impartiality with respect to matters relating to MFGI.

Once the one-year cooling-off period has passed, the fact that an employee previously was within a covered relationship with respect to another individual, without more, cannot by itself be the basis to reasonably question an employee’s impartiality. To hold otherwise would, in effect, transform the one-year cooling off period into a lifetime prohibition, for in every such instance the covered relationship within the one-year period could be cited as the basis for disqualification beyond the one-year period.<sup>44</sup>

The ethics regulations do not require such a result. To the contrary, the procedures in § 2635.502 clearly contemplate that employees who at one time may have had a covered relationship with respect to another person or entity, but that no longer have such a covered relationship, may participate in a matter involving the person or entity that previously was within the covered relationship.

To constitute a reasonable basis to question Chairman Gensler’s impartiality, therefore, there must be some additional indicia of a relationship between Chairman Gensler and Mr. Corzine, GS, or its partners, beyond the factors that would establish a covered relationship—i.e., facts in

<sup>43</sup> 5 C.F.R. § 2635.502(b)(iv). As previously noted, OGE has stated that if no financial interest is involved and a covered relationship is not present, a determination not to follow the procedures in § 2635.502—and hence to participate in the matter—cannot be considered to be an “ethical lapse.” Nonetheless, in accordance with OGE recommendations, Chairman Gensler has determined to follow the § 2635.502 process.

<sup>44</sup> This conclusion is consistent with the OGE position that in circumstances in which no financial interest is involved and a covered relationship is not present, a determination not to follow the procedures in § 2635.502 cannot be considered to be an “ethical lapse.”

addition to Chairman Gensler's partnership at GS some 14 years ago. However, the facts regarding Chairman Gensler's relationship with Mr. Corzine and others at GS who are now associated with MFGI -- both during the time that Chairman Gensler worked at GS and afterwards -- are insufficient to provide such indicia.

The record set forth above indicates that at all times, both during their partnership and afterwards, the relationship between Chairman Gensler and Mr. Corzine was exclusively a professional relationship. Chairman Gensler and Mr. Corzine did not socialize or meet apart from their professional obligations and interests. The record indicates that since Chairman Gensler and Mr. Corzine left GS in the late 1990s, they have met only infrequently and solely on matters of mutual professional interest. Indeed, most of their encounters have occurred when they both have been invited to attend an event by others. Although both Chairman Gensler and Mr. Corzine have been involved in political fundraising and electoral campaigning, neither has done so on the other's behalf or at the other's request. They have not socialized, and they have not been involved in each other's personal lives. Their infrequent professional contacts, over a 14-year period following their departure from their partnership at GS, do not constitute a covered relationship or a similar type of relationship that would form a reasonable basis under section 2635.502 to question Chairman Gensler's impartiality with respect to MFGI.<sup>45</sup>

Following his departure from GS, Chairman Gensler's contacts with Mr. Abelow, Mr. Flowers, Ms. Ferber, and Mr. Goldfield have been more attenuated than his contacts with Mr. Corzine. Based on the highly infrequent nature of Chairman Gensler's contacts with these individuals since he left the GS partnership in 1997, Chairman Gensler's relationships with these individuals, both individually and collectively, are insufficient to constitute a reasonable basis under section 2635.502 to question Chairman Gensler's impartiality with respect to MFGI.

In sum, this review determines, based on the facts and circumstances stated herein, that there is not a reasonable basis under 5 C.F.R. § 2635.502 to question Chairman Gensler's impartiality with respect to the Commission's investigation of MFGI and involvement in related matters, such as the MFGI bankruptcy proceedings. Accordingly, 5 C.F.R. § 2635.502 does not preclude Chairman Gensler's participation in these matters, and Chairman Gensler is not required to withdraw from participation. From a legal and ethical perspective, Chairman Gensler's participation in Commission matters involving MFGI would not be improper.<sup>46</sup>

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<sup>45</sup> Chairman Gensler's contribution to the New Jersey State Democratic Party at the time Mr. Corzine was campaigning for Governor of New Jersey is not sufficient to warrant a different conclusion. During this time period, Chairman Gensler was an active fundraiser for and contributor to Democratic candidates for elected office in many states. Chairman Gensler's contribution to the New Jersey State Democratic Party therefore is not sufficient to establish a special relationship between Chairman Gensler and Mr. Corzine that would warrant a different conclusion.

<sup>46</sup> This review solely addresses matters before the Commission prior to and at the time of the Chairman's election not to participate and is based on the facts contained herein.

COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

**Responses to questions 28 through 30 should be drafted by OFM.**

Performance Reviews and Bonuses

28. Please provide for the record a summary of total bonus and award resources (total number of incentive awards, performance awards, and merit based compensation adjustments and dollar amounts for each) for every position level in each CFTC Division and Commissioner Office for fiscal years 2011 and 2012. Provide a separate breakout for excepted positions. Do not exclude any type of bonus or award payment (e.g., include all types of monetary payments, including incentive awards, individual and group awards, bonuses, performance awards, Presidential Rank Awards, etc.).

**Insert 11**

CFTC FY 11 Incentive Awards Summary  
Competitive Service Positions

INSERT 11

Division/Office	STAR		Special Act		Time-Off		Total Amount Spent by the
	Cases	Total Amount	Cases	Total Amount	Cases	Total Hours	
Chairman's Office	0	\$0	10	\$13,379.00	4	112	\$13,379.00
AD-ED	2	\$1,000.00	20	\$2,500.00	5	0	\$13,500.00
DOVE	0	\$0	11	\$14,340.00	5	0	\$14,340.00
DO-ED	1	\$500.00	47	\$5,875.00	0	0	\$6,375.00
DO-DO	2	\$1,000.00	66	\$104,700.00	0	112	\$106,700.00
DO-ED	2	\$1,000.00	2	\$2,500.00	1	0	\$4,500.00
DO-ED	0	\$0	0	\$0.00	0	0	\$0.00
DO-ED	0	\$0.00	111	\$142,850.00	0	0	\$142,850.00
DO-ED	0	\$0	0	\$0.00	0	0	\$0.00
DO-ED	0	\$0	0	\$0.00	0	0	\$0.00
<b>Total</b>	<b>15</b>	<b>\$3,500.00</b>	<b>256</b>	<b>\$220,575.00</b>	<b>10</b>	<b>224</b>	<b>\$224,075.00</b>

CFTC FY Incentive Awards Summary  
Excepted Positions

INSERT 11

Division/Office	STAR		Special Act		Turn-Off		Total Amount Spent by div
	Cases	Total Amount	Cases	Total Amount	Cases	Total Amount	
Chairman's Office	0	\$0	21	\$46,726.00	0	0	\$46,726.00
CEA	0	\$0	0	\$0.00	0	0	\$0.00
ECIE	0	\$0	111	\$137,965.00	19	\$81.00	\$137,965.00
ECIN	1	\$400	24	\$67,880.00	0	\$0	\$68,280.00
EMCO	1	\$200	36	\$67,601.00	11	\$55	\$67,801.00
EMIL	0	\$0	14	\$50,680.00	0	0	\$50,680.00
ENRCE	0	\$0	0	\$0.00	0	0	\$0.00
ENRIN	0	\$0	0	\$0.00.00	0	\$0	\$0.00.00
ENRST	0	\$0	0	\$0.00	0	0	\$0.00
OLA	0	\$0	5	\$11,025.00	0	0	\$11,025.00
Totals	2	\$600	237	\$755,887.00	39	\$137	\$756,124.00

CFTC FY 11 Merit Pay Summary  
Competitive Service Positions

INSERT 11

	Merit Pay Increase		Lump Sum Payment		Total Amount Spent by the Division
Division/Office	Count	Total Amount	Count	Total Amount	
Chairman's Office	8	\$9,297.26	0	\$0.00	\$9,297.26
DCIO	30	\$29,198.36	0	\$0.00	\$29,198.36
OCE	19	\$13,241.30	0	\$0.00	\$13,241.30
DOE	60	\$58,221.12	0	\$0.00	\$58,221.12
DCR	14	\$13,923.84	0	\$0.00	\$13,923.84
DMO	95	\$81,870.19	1	\$1,817.00	\$83,687.19
OGC	9	\$8,443.71	0	\$0.00	\$8,443.71
DSIO	23	\$24,608.78	0	\$0.00	\$24,608.78
OED	139	\$131,308.76	2	\$2,814.00	\$136,122.76
ODT	20	\$22,008.16	0	\$0.00	\$22,008.16
OIA	5	\$4,253.80	0	\$0.00	\$4,253.80
<i>Totals:</i>	<i>0</i>	<i>\$0.00</i>	<i>3</i>	<i>\$ 4,631.00</i>	<i>\$ 403,606.28</i>

CFTC FY 11 Merit Pay Summary  
Executive Service Positions

INSERT 11

CFTC FY 11 Merit Pay  
Summary  
Excepted Service

	Merit Pay Increase		Lump Sum Payment		Total Amount Spent by the Division
Division/Office	Count	Total Amount	Count	Total Amount	
Chairman's Office	22	\$23,241.05	2	\$2,287.00	\$25,528.05
DCIO	23	\$26,209.48	0	\$0.00	\$26,209.48
OCE	0	\$0.00			\$0.00
DOE	148	\$148,423.65	1	\$1,816.00	\$150,239.65
DCR	9	\$8,296.87	2	\$1,848.00	\$10,134.87
DMO	39	\$43,116.83			\$43,116.83
OGC	36	\$39,301.68	1	\$1,441.00	\$40,742.68
DSIO	6	\$6,748.71	2	\$3,472.00	\$10,220.71
OED	4	\$4,498.01			\$4,498.01
ODT	6	\$0.00			\$0.00
OIA	9	\$10,616.73	1	\$1,705.00	\$12,321.73
Totals:	0	\$ 310,443.01	9	\$ 12,569.00	\$ 323,012.01

CFTC FY 12 Incentive Awards Summary  
Competitive Service Positions

INSERT 11

	STAR		Special Act		Time-Off		Total Amount Spent by the Division
Division/Office	Count	Total Amount	Count	Total Amount	Count	Total Hours	
Chairman's Office	0	\$0	3	\$6,500.00	0	0	\$6,500.00
OCE	0	\$0	10	\$15,000.00	9	73	\$15,000.00
DOE	0	\$0	14	\$34,900.00	40	466.50	\$34,900.00
DCR	0	\$0	37	\$55,008.00	8	262	\$55,008.00
DMO	0	\$0	53	\$103,100.00	11	277	\$103,100.00
OGC	0	\$0	6	\$6,650.00	7	88	\$6,650.00
DSIO	0	\$0	35	\$58,130.00	76	921	\$58,130.00
OED	0	\$0	65	\$101,350.00	7	210	\$101,350.00
ODT	0	\$0	69	\$109,350.00	2	18	\$109,350.00
OIA	0	\$0	2	\$2,600.00	0	0	\$2,600.00
<b>Totals:</b>	<b>0</b>	<b>\$0.00</b>	<b>294</b>	<b>\$ 492,588.00</b>	<b>160</b>	<b>2305.5</b>	<b>\$ 492,588.00</b>

## CFTC FY 12 Incentive Awards Summary

INSERT 11

## Excepted Service Positions

## CFTC Incentive Awards Summary FY 2012

## Excepted Service

	STAR		Special Act		Time-Off		Total Amount Spent by the Division
Division/Office	Count	Total Amount	Count	Total Amount	Count	Total Hours	
Chairman's Office	0	\$0	7	\$16,500.00	1	16	\$16,500.00
OCE	0	\$0	0	\$0.00	0	0	\$0.00
DOE	0	\$0	72	\$227,188.23	124	1485	\$227,188.23
DCR	0	\$0	14	\$19,968.00	3	104	\$19,968.00
DMO	0	\$0	34	\$70,465.00	4	94	\$70,465.00
OGC	0	\$0	83	\$83,650.00	12	180	\$83,650.00
DSIO	0	\$0	21	\$38,180.15	8	88	\$38,180.15
OED	0	\$0	3	\$5,750.00	0	0	\$5,750.00
ODT	0	\$0	0	\$0.00	0	0	\$0.00
OIA	0	\$0	8	\$12,000.00	1	40	\$12,000.00
<i>Totals:</i>	<i>0</i>	<i>\$0.00</i>	<i>242</i>	<i>\$ 473,701.38</i>	<i>153</i>	<i>2007</i>	<i>\$ 473,701.38</i>

CFTC FY 2012 Merit Pay  
Competitive Service - Position Levels (Division/Office)

INSERT 11

Division/Office	Merit Pay Increase		Lump Sum Payment		Total Amount Spent by the Division
	Count	Total Amount	Count	Total Amount	
Chairman's Office	11	\$10,448.19	0	\$0.00	\$10,448.19
DCIO	3	\$2,586.38	0	\$0.00	\$2,586.38
OCE	14	\$11,552.43	0	\$0.00	\$11,552.43
DOE	38	\$41,877.91	1	\$1,186.00	\$43,063.91
DCR	30	\$30,247.02	0	\$0.00	\$30,247.02
DMO	72	\$66,812.00	5	\$5,485.00	\$72,297.00
OGC	8	\$7,255.35	0	\$0.00	\$7,255.35
DSIO	48	\$52,198.98	0	\$0.00	\$52,198.98
OED	73	\$88,128.60	3	\$2,981.00	\$91,109.60
ODT	76	\$68,037.44	0	\$0.00	\$68,037.44
OIA	0	\$0.00	0	\$0.00	\$0.00
<b>Totals:</b>	<b>373</b>	<b>\$ 379,144.30</b>	<b>9</b>	<b>\$ 9,652.00</b>	<b>\$ 388,796.30</b>

CFTC FY 2012 Merit Pay  
Executive Service - Position Levels (By Division/Office)  
CFTC FY 2012 Merit Pay Summary  
Excepted Service

INSERT 11

	Merit Pay Increase		Lump Sum Payment		Total Amount Spent by the Division
Division/Office	Count	Total Amount	Count	Total Amount	
Chairman's Office	19	\$20,988.23	2	\$3,593.00	\$24,581.23
DCIO	0	\$0.00	0	\$0.00	\$0.00
OCE	3	\$3,322.86	0	\$0.00	\$3,322.86
DOE	95	\$122,270.81	1	\$1,816.00	\$124,086.81
DCR	19	\$24,826.30	0	\$0.00	\$24,826.30
DMO	11	\$65,988.13	0	\$0.00	\$65,988.13
OGC	43	\$52,316.84	3	\$6,449.00	\$58,765.84
DSIO	24	\$27,729.75	2	\$3,434.00	\$31,163.75
OED	8	\$9,553.52	0	\$0.00	\$9,553.52
ODT	0	\$0.00	0	\$0.00	\$0.00
OIA	8	\$10,237.71	1	\$1,687.00	\$11,924.71
<i>Totals:</i>	<i>230</i>	<i>\$ 337,234.15</i>	<i>9</i>	<i>\$ 16,979.00</i>	<i>\$ 354,213.15</i>

COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

29. In addition to the summary level data, provide the Subcommittee with an electronic file (excel format) containing the data requested above on an individual basis without personally identifiable information.

Purchase Cards

30. Please provide the Subcommittee with all purchase card account monthly statements for April 2012 to March 2013.

Insert 12



INSERT 12

U.S. BANKCORP  
P.O. BOX 6317  
FARGO ND 58125-6347



000000013 2 SP 106481520728978 S  
CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 03-19-2012  
AMOUNT DUE \$3,056.09  
NEW BALANCE \$3,056.09  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$

Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

### ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	Check + Check	Check + Fee	Credits	= Current Activity	Payments	Account Balance
[REDACTED]									
Company Total	\$7,226.57	\$168,702.38	\$0.00	\$17,227.31	\$292.87	\$841.13	\$185,281.43	\$189,451.91	\$3,056.09

Default Accounting Code:		
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER	ACCOUNT SUMMARY
	[REDACTED]	PREVIOUS BALANCE 7,226.57
	STATEMENT DATE	PURCHASES & OTHER CHARGES 168,702.38
	DISPUTED AMOUNT	SELF ASSESSED INTEREST PENALTY .00
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	03/19/12	CHECKS 17,227.31
	AMOUNT DUE	CHECK FEE 292.87
	3,056.09	CREDITS 941.13
		CURRENT BILLING ACTIVITY 185,281.43
		PAYMENTS 189,451.91
		ACCOUNT BALANCE 3,056.09



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2012

CORPORATE ACCOUNT ACTIVITY					
CFTC			TOTAL CORPORATE ACTIVITY		
			\$189,451.91CR		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-21	02-21		WIRE PAYMENT	7,226.57	PY
02-21	02-21		WIRE PAYMENT	6,126.60	PY
02-22	02-22		WIRE PAYMENT	5,615.63	PY
02-23	02-23		WIRE PAYMENT	804.69	PY
02-24	02-24		WIRE PAYMENT	9,975.16	PY
02-27	02-27		WIRE PAYMENT	20,670.27	PY
02-28	02-28		WIRE PAYMENT	8,903.31	PY
02-29	02-29		WIRE PAYMENT	8,047.75	PY
03-01	03-01		WIRE PAYMENT	7,880.76	PY
03-02	03-02		WIRE PAYMENT	16,975.22	PY
03-05	03-05		WIRE PAYMENT	7,124.82	PY
03-06	03-06		WIRE PMT	4,079.06	PY
03-07	03-07		WIRE PAYMENT	1,159.92	PY
03-08	03-08		WIRE PAYMENT	5,826.40	PY
03-09	03-09		WIRE PAYMENT	12,297.47	PY
03-12	03-12		WIRE PAYMENT	3,546.12	PY
03-13	03-13		WIRE PAYMENT	27,530.11	PY
03-14	03-14		WIRE PAYMENT	13,277.06	PY
03-15	03-15		WIRE PAYMENT	4,202.00	PY
03-16	03-16		WIRE PMT	4,637.66	PY
03-19	03-19		WIRE PAYMENT	12,744.33	PY

NEW ACTIVITY					
KATHRYN M. BISON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$2,153.13	\$0.00	\$2,153.13
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-01	02-29	55480772061200292300034	ATKINSON-BAKLR INC 08185517310 CA	1,142.70	
03-08	03-06	85504992067900012758042	ANDERSON COURT REPORT 703-5197180 VA	1,010.43	
Department: 00000 Total:				\$2,153.13	
Division: 00000 Total:				\$2,153.13	
MONICA GREEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$11,532.14	\$495.59	\$12,027.73
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-22	02-21	00000000004622757021000	*FINANCE CHARGE* CASH ADVANCE FEE	1.44	
02-22	02-21	00000000004622757021000	CASH ADVANCE FROM -	84.90	
			BANK OF AMERICA 001100 -ST. PAUL -MN		
02-24	02-23	00000000004642319039000	*FINANCE CHARGE* CASH ADVANCE FEE	6.36	
02-24	02-23	00000000004642319039000	CASH ADVANCE FROM -	374.19	
			SUSAN SABLE AACADE001098 -ST. PAUL -MN		
02-28	02-27	00000000004612633034000	*FINANCE CHARGE* CASH ADVANCE FEE	0.41	
02-28	02-27	00000000004612633034000	CASH ADVANCE FROM -	24.00	
			BANK OF AMERICA 001102 -ST. PAUL -MN		
02-29	02-28	00000000004621821019000	*FINANCE CHARGE* CASH ADVANCE FEE	0.21	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-29	02-28	00000000004621821019000	CASH ADVANCE FROM -	12.50	
03-01	03-01	09436842061900028227117	BANK OF AMERICA 001103 -ST. PAUL -MN		
03-05	03-02	85450752062119000135278	CDW GOVERNMENT 800-750-4239 IL	99.72	
03-07	03-06	5549672066200799300012	DELAWARE CORP FILINGS 302-7393077 DE	154.00	
03-08	03-06	85179722067701913312920	PREFERRED LEGAL SERVIC 08004054056 TX	2,517.11	
03-08	03-06	85179722067701913312938	ALLIANCE REPORTING SER MINOLLA NY	1,906.75	
03-08	03-06	85179722067701913312938	ALLIANCE REPORTING SER MINOLLA NY	2,266.45	
03-08	03-06	85179722067701913312938	ALLIANCE REPORTING SER MINOLLA NY	1,639.70	
03-09	03-07	85179722067701913312938	VERTIX HOLDING CORP FLORHAM PARK NJ	623.75	
03-14	03-13	85179722067701913312938	HAHN & BOWERSOCK COSTA MESA CA	940.55	
03-14	03-13	85179722067701913312938	HAHN & BOWERSOCK COSTA MESA CA	604.45	
03-15	03-14	85179722067701913312938	TRANSPERFECT 2126895555 NY	95.00	
03-15	03-14	85179722067701913312938	TRANSPERFECT 2126895555 NY	195.00	
03-19	03-16	85179722067701913312938	PAYPAL DIRECTPROCE 402935733 CA	160.00	
03-19	03-16	85179722067701913312938	RESPONSIVE DATA SOLUTI WASHINGTON DC	321.24	
MELISSA STROM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$1,747.85	\$12,303.45	\$14,051.30
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-23	02-22	00000000004632093032000	*FINANCE CHARGE* CASH ADVANCE FEE	10.81	
02-23	02-22	00000000004632093032000	CASH ADVANCE FROM -	636.12	
02-23	02-22	00000000004632093033000	SOUTHERN DISTRICT 001254 -ST. PAUL -MN		
02-23	02-22	00000000004632093033000	*FINANCE CHARGE* CASH ADVANCE FEE	17.10	
02-23	02-22	00000000004632093033000	CASH ADVANCE FROM -	1,005.66	
02-24	02-23	00000000004642319040000	SOUTHER DISTRICT 001255 -ST. PAUL -MN		
02-24	02-23	00000000004642319040000	*FINANCE CHARGE* CASH ADVANCE FEE	30.49	
02-24	02-23	00000000004642319040000	CASH ADVANCE FROM -	1,793.70	
02-24	02-23	00000000004642320001000	N 001257 -ST. PAUL -MN		
02-24	02-23	00000000004642320001000	*FINANCE CHARGE* CASH ADVANCE FEE	20.76	
02-24	02-23	00000000004642320001000	CASH ADVANCE FROM -	1,221.30	
02-24	02-23	00000000004642320002000	SUSAN SOBLE ASSOC 001256 -ST. PAUL -MN		
02-24	02-23	00000000004642320002000	*FINANCE CHARGE* CASH ADVANCE FEE	10.71	
02-24	02-23	00000000004642320002000	CASH ADVANCE FROM -	630.22	
02-27	02-24	00000000004652298008000	SUSAN SOBLE ASSOC 001249 -ST. PAUL -MN		
02-27	02-24	00000000004652298008000	*FINANCE CHARGE* CASH ADVANCE FEE	0.43	
02-27	02-24	00000000004652298008000	CASH ADVANCE FROM -	25.00	
02-28	02-27	00000000004612635019000	ATTORNEY REGISTRAT001252 -ST. PAUL -MN		
02-28	02-27	00000000004612635019000	*FINANCE CHARGE* CASH ADVANCE FEE	6.71	
02-28	02-27	00000000004612635019000	CASH ADVANCE FROM -	394.75	
03-01	02-28	85504992069000012298764	FROST NATIONAL BAN001258 -ST. PAUL -MN		
03-12	03-09	554328520690000252942688	ANDERSON COURT REPORT 703-5197180 VA	784.90	
03-12	03-09	85504992071900012985805	JUDICIAL PROCESS SERV 630-620-5559 IL	175.00	
03-16	03-15	00000000004641823028000	ANDERSON COURT REPORT 703-5197180 VA	503.79	
03-16	03-15	00000000004641823028000	*FINANCE CHARGE* CASH ADVANCE FEE	23.33	
03-16	03-15	00000000004641823028000	CASH ADVANCE FROM -	1,372.50	
03-16	03-15	00000000004641823029000	SUSAN SOBLE ASSOC001261 -ST. PAUL -MN		
03-16	03-15	00000000004641823029000	*FINANCE CHARGE* CASH ADVANCE FEE	5.80	
03-16	03-15	00000000004641823029000	CASH ADVANCE FROM -	340.90	
03-16	03-15	00000000004641823030000	SUSAN SOBLE ASSOC001261 -ST. PAUL -MN		
03-16	03-15	00000000004641823030000	*FINANCE CHARGE* CASH ADVANCE FEE	19.48	
03-16	03-15	00000000004641823030000	CASH ADVANCE FROM -	1,145.70	
03-16	03-15	00000000004641823031000	SUSAN SOBLE ASSOC001262 -ST. PAUL -MN		
03-16	03-15	00000000004641823031000	*FINANCE CHARGE* CASH ADVANCE FEE	13.14	
03-16	03-15	00000000004641823031000	CASH ADVANCE FROM -	172.90	
03-16	03-15	00000000004641823032000	SUSAN SOBLE ASSOC001263 -ST. PAUL -MN		
03-16	03-15	00000000004641823032000	*FINANCE CHARGE* CASH ADVANCE FEE	23.52	
03-16	03-15	00000000004641823032000	CASH ADVANCE FROM -	1,383.30	
03-16	03-15	00000000004641823032000	SUSAN SOBLE ASSOC001264 -ST. PAUL -MN		





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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-29	02-28		AOP BUSINESS SERVICES 02025260586 DC	249.99	
03-02	03-01		GSA/FAS 703-605-5635 VA	124.20	
03-05	03-02		OFFICE DEPOT #5910 800-463-3768 PA	522.58	
03-06	03-05		OFFICE DEPOT #5910 800-463-3768 PA	113.80	
03-06	03-05		STANDARD OFFICE SUPPLY 02028294820 DC	176.32	
03-12	03-09		GOVERNMENT MOVERS INC HYATTSVILLE MD	1,361.45	
03-12	03-09		AOP BUSINESS SERVICES 02025260586 DC	695.00	
03-12	03-09		A & A ART FRAM. WASHINGTON DC	380.00	
03-16	03-15		STANDARD OFFICE SUPPLY 02028294820 DC	14.56 CR	
03-16	03-15		OFFICE DEPOT #5910 800-463-3768 PA	603.33	
03-16	03-15		OFFICE DEPOT #5910 800-463-3768 PA	268.26	
03-16	03-15		OFFICE DEPOT #5910 800-463-3768 PA	393.23	
03-16	03-15		OFFICE DEPOT #5910 800-463-3768 PA	64.50	
03-16	03-15		OFFICE DEPOT #5910 800-463-3768 PA	79.00	
<b>LOU BERMAN</b>					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$679.07	\$1,710.00	\$2,389.07
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-23	02-22	00000000004632095005000	'FINANCE CHARGE' CASH ADVANCE FEE	29.07	
02-23	02-22	00000000004632095005000	CASH ADVANCE FROM -	1,710.00	
03-05	03-02	85451912062900019800030	WATER INNOVATIONS 001003 - ST. PAUL - MN	225.00	
03-14	03-13	55463152074207165500013	PRECISION DOORS FREDERICK MD	425.00	
<b>LESTER HARDING</b>					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$905.00	\$0.00	\$905.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-02	03-01	55436872061160612480275	KASTLE SYSTEMS 703-5288800 VA	905.00	
<b>HENRY HANSEN</b>					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$220.56	\$0.00	\$220.56
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-16	03-15	55460292076275075010014	PJ MECHANICAL SERVICES 02128866653 NY	220.56	
<b>NYREE THOMAS</b>					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$3,228.17	\$0.00	\$3,228.17
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-24	02-23	25536062055102023198508	AQUA PURE WATER CO DAVISBURG MI	273.54	
02-28	02-27	55417312058383300310704	MAIDEN HEAVEN NEW YORK NY	290.65	
03-01	02-28	55547502060173201010010	CALDERON LOCKSMITH NEW YORK NY	392.50	



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Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-09	03-08		OFFICE DEPOT #1170 800-463-3768 OH	16.66	
03-09	03-08		OFFICE DEPOT #5910 800-463-3768 PA	1,375.09	
03-09	03-08		OFFICE DEPOT #5910 800-463-3768 PA	308.91	
03-09	03-08		DISPLAYS 2 GO 800-5722194 RI	45.54	
03-12	03-09		11 X 17, INC. 903-5410100 TX	335.28	
03-19	03-15		TONNIES MINIS LENOX NEW YORK NY	190.00	
SARAH JAMBROSEK		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$24.12	\$7,468.02	\$0.00	\$7,443.90
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-20	02-17		GARVEY'S OFFICE PRODUC 08475881690 IL	24.12CR	
02-20	02-17		GARVEY'S OFFICE PRODUC 08475881690 IL	481.46	
02-20	02-17		GARVEY'S OFFICE PRODUC 08475881690 IL	449.50	
02-20	02-17		GARVEY'S OFFICE PRODUC 08475881690 IL	771.48	
02-22	02-21		GSA/FAS 703-605-5635 VA	54.75	
02-22	02-21		GSA/FAS 703-605-5635 VA	144.30	
02-22	02-21		GSA/FAS 703-605-5635 VA	27.70	
02-22	02-21		GSA/FAS 703-605-5635 VA	61.60	
02-23	02-22		GARVEY'S OFFICE PRODUC 08475881690 IL	1,037.25	
02-27	02-24		GSA/FAS 703-605-5635 VA	103.80	
02-27	02-24		GARVEY'S OFFICE PRODUC 08475881690 IL	89.94	
02-27	02-24		GARVEY'S OFFICE PRODUC 08475881690 IL	706.62	
02-27	02-24		GARVEY'S OFFICE PRODUC 08475881690 IL	485.63	
02-28	02-27		GARVEY'S OFFICE PRODUC 08475881690 IL	984.47	
02-29	02-28		GARVEY'S OFFICE PRODUC 08475881690 IL	1,531.00	
03-09	03-08		GARVEY'S OFFICE PRODUC 08475881690 IL	538.52	
THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$2,680.24	\$0.00	\$2,680.24
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-27	02-24	15184122056256141152826	CHICAGOS HOME OF CHI CHICAGO IL	280.69	
03-12	03-11	55417342071640710427752	LIFE FITNESS 800-7353867 IL	55.00	
03-12	03-11	55417342071640710427869	LIFE FITNESS 800-7353867 IL	155.00	
03-16	03-15	55547502075122731010477	GARVEY'S OFFICE PRODUC 08475881690 IL	985.30	
03-16	03-15	55547502075122731010485	GARVEY'S OFFICE PRODUC 08475881690 IL	1,204.25	
Department: 05C04 Total:					\$26,401.34
MARGIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$641.70	\$0.00	\$641.70
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-27	02-24	55546502056200196100282	QUEEN OF SHEBA RESTAUR WASHINGTON DC	600.00	
02-29	02-27	85504992059900013200051	ABC IMAGING WASHINGTON DC	41.70	



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NEW ACTIVITY					
CATHY WICYKOWSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$62.45	\$696.50	\$161.50	\$795.55
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-28	02-27		OFFICE DEPOT #1090 800-463-3768 MA		62.45
03-01	02-29		OFFICE DEPOT #1080 800-463-3768 CO		9.62
03-01	02-29		OFFICE DEPOT #1090 800-463-3768 MA		76.38
03-01	02-29		OFFICE DEPOT #1090 800-463-3768 MA		62.45
03-01	02-29		*FINANCE CHARGE* CASH ADVANCE FEE		2.75
03-01	02-29		CASH ADVANCE FROM		161.50
03-07	03-05	05436842066100127650014	NEICRIS REATAIMAN1001104 -ST. PAUL -MN		
03-16	03-15	05436842076500032777829	OFFICE DEPOT #1090 800-463-3768 MA		62.45CR
					482.85
Department: 05006 Total:					\$1,437.25
Division: 00003 Total:					\$27,838.59
NICHOLAS GRAHAM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$4,757.50	\$0.00	\$4,757.50
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-23	02-22	05410192053167010763242	FRB CONF CLNTE30564660 CHICAGO IL		4,757.50
SONDA R OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$840.00	\$11,911.63	\$2,511.77	\$13,583.40
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-23	02-22	00000000004632064009000	*FINANCE CHARGE* CASH ADVANCE FEE		0.09
02-23	02-22	00000000004632094009000	CASH ADVANCE FROM		5.35
03-02	03-01	55429502061849545253419	EQUIFAX 001121 -ST. PAUL -MN		
03-02	02-29	85504992061900013400087	TRANSPERFECT 2126895555 NY		6,000.00
03-02	03-01	00000000004641996005000	ABC IMAGING WASHINGTON DC		29.70
03-02	03-01	00000000004641996005000	*FINANCE CHARGE* CASH ADVANCE FEE		0.11
03-02	03-01	00000000004641996005000	CASH ADVANCE FROM		6.42
03-05	03-02	00000000004651965029000	EQUIFAX 001122 -ST. PAUL -MN		
03-05	03-02	00000000004651965029000	*FINANCE CHARGE* CASH ADVANCE FEE		42.50
			CASH ADVANCE FROM		2,500.00
03-08	03-07		ASALJ 001123 -ST. PAUL -MN		
03-12	03-08		JSTOR 212-5002358 NY		1,850.00
03-14	03-13		SOCIAL SCIENCE ELECTRO 585-4428170 NY		900.00
03-14	03-12		USGPO PUBLICATN DC 202-512-1065 DC		628.00
03-19	03-16		DISCOVERY DOCUMENT SOL WASHINGTON DC		1,604.00
03-19	03-16		ABC IMAGING WASHINGTON DC		840.00CR
03-19	03-16		ABC IMAGING WASHINGTON DC		840.00
03-19	03-16		ABC IMAGING WASHINGTON DC		17.23
Department: 05007 Total:					\$18,340.90
Division: 00004 Total:					\$18,340.90



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NEW ACTIVITY					
<b>ANDRIETTA MINTER</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
		\$0.00	\$17,713.67	\$0.00	\$17,713.67
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-22	02-21	[REDACTED]	FUTURES INDUSTRY ASSOC 202-4665460 DC	60.00	
02-22	02-21	[REDACTED]	FUTURES INDUSTRY ASSOC 202-4665460 DC	60.00	
02-22	02-21	[REDACTED]	FUTURES INDUSTRY ASSOC 202-4665460 DC	60.00	
02-22	02-21	[REDACTED]	FUTURES INDUSTRY ASSOC 202-4665460 DC	50.00	
02-28	02-27	[REDACTED]	MICROSOFT CORP EVENTS 02067840626 WA	1,995.00	
02-28	02-27	[REDACTED]	MICROSOFT CORP EVENTS 02067840626 WA	1,995.00	
02-28	02-27	[REDACTED]	GUIDANCE SOFTWARE INC 626-229-9191 CA	795.00	
02-28	02-27	[REDACTED]	GUIDANCE SOFTWARE INC 626-229-9191 CA	795.00	
02-28	02-27	[REDACTED]	INTERNATIONAL FINANCE CAMBRIDGE MA	437.67	
03-01	02-29	[REDACTED]	MICROSOFT CORP EVENTS 02067840626 WA	1,995.00	
03-01	02-29	[REDACTED]	MICROSOFT CORP EVENTS 02067840626 WA	1,995.00	
03-05	03-03	[REDACTED]	AMERICAN BAR ASSOCIATI 800-2852221 IL	395.00	
03-07	03-06	[REDACTED]	SIFMA - CONF/PUBS NEW YORK NY	195.00	
03-07	03-06	[REDACTED]	SIFMA - CONF/PUBS NEW YORK NY	195.00	
03-07	03-06	[REDACTED]	THEREGGROUP 2024663205 VA	480.00	
03-07	03-07	[REDACTED]	DC BAR 02027374700 DC	99.00	
03-07	03-07	[REDACTED]	DC BAR 02027374700 DC	89.00	
03-07	03-07	[REDACTED]	DC BAR 02027374700 DC	89.00	
03-07	03-07	[REDACTED]	DC BAR 02027374700 DC	99.00	
03-07	03-07	[REDACTED]	DC BAR 02027374700 DC	89.00	
03-07	03-07	[REDACTED]	DC BAR 02027374700 DC	109.00	
03-07	03-07	[REDACTED]	DC BAR 02027374700 DC	109.00	
03-08	03-07	[REDACTED]	CFA INSTITUTE 434-951 5499 VA	725.00	
03-12	03-09	[REDACTED]	HUMAN RESOURCES INSTIT 301-7495600 MD	395.00	
03-12	03-09	[REDACTED]	HUMAN RESOURCES INSTIT 301-7495600 MD	735.00	
03-12	03-09	[REDACTED]	HUMAN RESOURCES INSTIT 301-7495600 MD	735.00	
03-12	03-09	[REDACTED]	FUTURES INDUSTRY ASSOC 202-4665460 DC	488.00	
03-13	03-12	[REDACTED]	SIFMA - CONF/PUBS NEW YORK NY	195.00	
03-13	03-12	[REDACTED]	SIFMA - CONF/PUBS NEW YORK NY	195.00	
03-13	03-12	[REDACTED]	ISDA 212-901 6000 NY	650.00	
03-13	03-12	[REDACTED]	HUMAN RESOURCES INSTIT 301-7495600 MD	735.00	
03-15	03-14	[REDACTED]	THE INSTITUTE FOR FINA WASHINGTON DC DC	550.00	
03-15	03-17	[REDACTED]	ASIL 02029396000 DC	125.00	
<b>SHIVON KERSHAW</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
		\$0.00	\$104.90	\$0.00	\$104.90
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-20	02-17	753095620489385065784991	GCC-GIFT CERTIFICATES C 800-7737368 NE	104.90	
<b>CYNTHIA WATSON</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
		\$0.00	\$63,685.01	\$0.00	\$63,685.01
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-24	02-23	[REDACTED]	UNISTAR-SPARCO COMPUTE 901-8722272 TN	11,209.00	
02-24	02-23	[REDACTED]	AINS INC GAITHERSBURG MD	3,590.00	
02-27	02-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	374.98	
02-27	02-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	370.71	
02-27	02-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	97.98	
02-27	02-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	394.28	



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02-27	02-24		OFFICE DEPOT #5910 800-463-3768 PA	229.90
02-27	02-23		TIME WARNER CABLE 816-3588833 MO	253.35
02-27	02-24		ATT*CONS PHONE PMT 800-704-8324 TX	41.75
02-27	02-24		GENERAL PROJECTION SYS 04072605511 FL	3,609.30
02-29	02-27		PLI*POWERMAPPER PLIMUS, INC	87.25
02-29	02-28		THREATGUARD 2104904018 TX	2,475.00
02-29	02-28		DTV*DIRECTV SERVICE 800-347-3288 CA	471.98
03-01	02-28		VEE MODEL MANAGEMENT 972-743-6749 TX	3,078.00
03-01	03-01		DMI* DELL FEDERAL 800-727-1100 TX	12.72
03-02	02-29		GRASSHOPPER.COM/CHARGE NEEDHAM MA	59.39
03-06	03-06		COMCAST OF WASHINGTON 800-COMCAST DC	220.80
03-07	03-06		VERIZON WRLS MYACCT VF FOLSOM CA	660.20
03-07	03-05		ATTM *287240832047 08003310500 GA	534.54
03-08	03-07		OFFICE DEPOT #5910 800-463-3768 PA	324.98
03-08	03-07		OFFICE DEPOT #5910 800-463-3768 PA	338.73
03-08	03-07		OFFICE DEPOT #5910 800-463-3768 PA	298.46
03-08	03-06		DISH NETWORK-ONE TIME 800-894-9131 CO	119.99
03-08	03-06		DISH NETWORK-ONE TIME 800-894-9131 CO	300.98
03-09	03-08		TWC*TIME WARNER NYC 718-358-0900 NY	591.88
03-12	03-11		MERITLINE.COM 08896666660 CA	6.99
03-12	03-09		CABLE DISCOUNTERS 503-7320329 OR	103.46
03-12	03-09		STANLEY VIDMAR SIRC TE 06107976600 PA	19,234.34
03-12	03-09		MARKERTEK VIDEO SUPPLY 800-5222025 NY	404.80
03-13	03-12		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	21.76
03-13	03-12		AUGUST SCHELL ROCKVILLE MD	9,891.00
03-15	03-14		CROSS MATCH TECHNOLOGI PALM BEACH GA FL	1,838.58
03-15	03-14		DEVELOPER EXPRESS INC 07022620609 CA	269.99
03-16	03-14		CARDINAL TRACKING INC LEWISVILLE TX	1,300.00
03-16	03-15		REI*MATTHEW BENDER & CO 800-833-9844 NY	370.00
03-19	03-17		TWC*TIME WARNER NYC 718-358-0900 NY	295.94
Department: 05009 Total:				\$81,503.58
BEVERLY BROWN				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$20,643.01	\$0.00
				TOTAL ACTIVITY
				\$20,643.01
Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-21	02-20		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	5,990.80
02-28	02-28		CDW GOVERNMENT 800-750-4239 IL	122.80
02-29	02-29		CDW GOVERNMENT 800-750-4239 IL	996.97
03-01	02-29		A&T NETWORKS COLUMBIA MD	7,030.00
03-08	03-07		DRP*WWW.ELEMENTS.INF MINNETONKA MN	1,344.00
03-08	03-08		TAB PRODUCTS JETER SYS 920-387-1845 WI	172.00
03-13	03-12		ATACOM INC 05109331200 CA	1,429.10
03-13	03-12		PREMIER & COMPANIES IN 02129471365 NY	74.20
03-15	03-14		SOMA COMPUTER PHILADELPHIA PA	1,625.70
03-19	03-15		CNI OFFICE SUPPLIES EAST BRUNSWIC NJ	1,857.44
Department: 05010 Total:				\$20,643.01
Division: 00005 Total:				\$102,146.59
DANIEL MAY				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$6,248.55	\$0.00
				TOTAL ACTIVITY
				\$6,248.55



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Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-20	02-18	[REDACTED]	AICPA *AICPA 888-777-7077 NC	98.26
02-20	02-17	[REDACTED]	THE INSTITUTE FOR FINA WASHINGTON DC DC	3,800.00
02-28	02-28	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	159.27
02-28	02-28	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	115.02
02-28	02-27	[REDACTED]	UNC CH ACAD AFF LIBRAR CHAPEL HILL NC	15.00
02-29	02-28	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	64.02
03-01	02-29	[REDACTED]	GT UNIV LAW LIBRARY WASHINGTON DC	40.00
03-01	02-29	[REDACTED]	GT UNIV LAW LIBRARY WASHINGTON DC	20.00
03-05	03-02	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	102.98
03-06	03-05	[REDACTED]	ADI*ASPEN PUBLISHERS 800-234-1660 MD	158.00
03-06	03-05	[REDACTED]	ADI*ASPEN PUBLISHERS 800-234-1660 MD	490.00
03-07	03-06	[REDACTED]	AGRESOURCEC 3124080045 IL	65.00
03-07	03-05	[REDACTED]	ENERGY MANAGEMENT 07327970154 NJ	359.00
03-12	03-08	[REDACTED]	SOCIAL SCIENCE ELECTRO 585-4428170 NY	761.00
Department: 05013 Total:				\$6,248.55
Division: 00007 Total:				\$6,248.55
VENUE BILL [REDACTED]				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$86.77	\$45.00
				TOTAL ACTIVITY
				\$131.77
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-09	03-08	00000000004641941026000	*FINANCE CHARGE* CASH ADVANCE FEE	0.77
03-09	03-08	00000000004641941026000	CASH ADVANCE FROM -	45.00
03-13	03-12	55429502073027746188041	REBECCA *001064 - ST. PAUL -MN COURTCALL *#4805252 03103420888 CA	86.00
Department: 05016 Total:				\$131.77
Division: 00009 Total:				\$131.77
JANIS KELLY V1 HO [REDACTED]				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$516.91	\$0.00
				TOTAL ACTIVITY
				\$516.91
Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-23	02-21	[REDACTED]	ELECTRONIC [REDACTED] WASHINGTON DC	62.53
02-23	02-21	[REDACTED]	ELECTRONIC [REDACTED] WASHINGTON DC	131.01
03-01	02-28	[REDACTED]	MT. WASH CAR WASH RD ALEXANDRIA VA	15.99
03-01	02-28	[REDACTED]	MT. WASH CAR WASH RD ALEXANDRIA VA	15.99
03-05	03-02	[REDACTED]	MT. WASH CAR WASH RD ALEXANDRIA VA	62.00
03-05	03-01	[REDACTED]	MT. WASH CAR WASH RD ALEXANDRIA VA	75.00
03-15	03-13	[REDACTED]	MT. WASH CAR WASH RD ALEXANDRIA VA	63.39
03-16	03-14	[REDACTED]	MT. WASH CAR WASH RD ALEXANDRIA VA	91.00
Department: 05017 Total:				\$516.91
Division: 00010 Total:				\$516.91



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000011 3 SP 106481567117647 S  
CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 04-19-2012  
AMOUNT DUE \$8,473.48  
NEW BALANCE \$8,473.48  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$  
Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	Checks	Check + Fee	Credits	= Current Activity	Payments	Account Balance
Company Total	\$3,056.09	\$251,410.82	\$0.00	\$16,538.85	\$281.19	\$1,529.78	\$266,701.08	\$261,283.69	\$8,473.48

Default Accounting Code:					
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER <div></div>		ACCOUNT SUMMARY		
	STATEMENT DATE 04/19/12	DISPUTED AMOUNT .00	PREVIOUS BALANCE	3,056.09	
			PURCHASES & OTHER CHARGES	251,410.82	
			SELF ASSESSED INTEREST PENALTY	.00	
			CHECKS	16,538.85	
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335		AMOUNT DUE  8,473.48		CHECK FEE	281.19
				CREDITS	1,529.78
				CURRENT BILLING ACTIVITY	266,701.08
				PAYMENTS	261,283.69
				ACCOUNT BALANCE	8,473.48



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

CORPORATE ACCOUNT ACTIVITY				
CFTC 5568-6245-5500-3631		TOTAL CORPORATE ACTIVITY \$261,283.69 CR		
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-20	03-20	*****	WIRE PAYMENT	3,056.09 PY
03-21	03-21	*****	WIRE PAYMENT	1,557.57 PY
03-22	03-22	*****	WIRE PAYMENT	1,073.62 PY
03-23	03-23	*****	WIRE PAYMENT	4,798.73 PY
03-26	03-23	*****	WIRE PAYMENT	7,139.33 PY
03-27	03-27	*****	WIRE PAYMENT	11,901.29 PY
03-28	03-28	*****	WIRE PAYMENT	6,221.58 PY
03-29	03-29	*****	WIRE PAYMENT	13,246.58 PY
03-30	03-30	*****	WIRE PAYMENT	8,007.35 PY
04-02	04-02	*****	WIRE PAYMENT	8,350.44 PY
04-03	04-03	*****	WIRE PAYMENT	72,538.52 PY
04-04	04-04	*****	WIRE PAYMENT	3,548.93 PY
04-05	04-05	*****	WIRE PAYMENT	2,774.34 PY
04-09	04-09	*****	WIRE PAYMENT	26,215.63 PY
04-10	04-10	*****	WIRE PAYMENT	8,320.69 PY
04-11	04-11	*****	WIRE PAYMENT	4,965.28 PY
04-12	04-12	*****	WIRE PAYMENT	15,395.95 PY
04-13	04-13	*****	WIRE PAYMENT	10,324.08 PY
04-16	04-16	*****	WIRE PAYMENT	5,594.80 PY
04-17	04-17	*****	WIRE PAYMENT	19,933.88 PY
04-18	04-18	*****	WIRE PAYMENT	23,466.91 PY
04-19	04-19	*****	WIRE PAYMENT	5,971.13 PY

NEW ACTIVITY				
KATHRYN M. RISON		CREDITS \$0.00	PURCHASES \$502.13	CASH ADV \$0.00
				TOTAL ACTIVITY \$502.13
Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-02	03-29	85504992090900013599180	ANDERSON COURT REPORTI 703-5197180 VA	502.13
Department: 00000 Total:				\$502.13
Division: 00000 Total:				\$502.13
MONICA GREEN		CREDITS \$0.00	PURCHASES \$6,160.45	CASH ADV \$2,105.83
				TOTAL ACTIVITY \$8,266.28
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-22	03-21	00000000004631709033000	*FINANCE CHARGE* CASH ADVANCE FEE	1.11
03-22	03-21	00000000004631709033000	CASH ADVANCE FROM	65.00
03-23	03-22	00000000004641846031000	SAME DAY PROCESS 001109 -ST. PAUL -MN	
03-23	03-22	00000000004641846031000	*FINANCE CHARGE* CASH ADVANCE FEE	6.94
03-23	03-22	00000000004641846031000	CASH ADVANCE FROM -	408.14
03-23	03-22	00000000004641850012000	PAQUETTE & ASSOCI001111 -ST. PAUL -MN	
03-23	03-22	00000000004641850012000	*FINANCE CHARGE* CASH ADVANCE FEE	2.55
03-23	03-22	00000000004641850012000	CASH ADVANCE FROM -	150.00
03-27	03-26	00000000004612027039000	ANDERS LABOY 001108 -ST. PAUL -MN	
03-27	03-26	00000000004612027039000	*FINANCE CHARGE* CASH ADVANCE FEE	0.68



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-27	03-26	00000000004612027039000	CASH ADVANCE FROM -	40.00	
03-27	03-26	00000000004612028030000	CALIFORNIA SECRETAG001106 -ST. PAUL -MN		
03-27	03-26	00000000004612028030000	*FINANCE CHARGE* CASH ADVANCE FEE	3.42	
03-29	03-28	00000000004631722021000	CASH ADVANCE FROM -	201.00	
03-29	03-28	00000000004631722021000	SHARRISSE KITT 001112 -ST. PAUL -MN		
03-30	03-29	00000000004641794020000	*FINANCE CHARGE* CASH ADVANCE FEE	0.35	
03-30	03-29	00000000004641794020000	CASH ADVANCE FROM -	20.44	
03-30	03-29	00000000004641794020000	YAHOO CUSTODIAN OF001110 -ST. PAUL -MN		
03-30	03-29	00000000004641794020000	*FINANCE CHARGE* CASH ADVANCE FEE	20.76	
04-02	03-30	00000000004641794020000	CASH ADVANCE FROM -	1,221.25	
04-02	03-30	00000000004641794020000	MAKEL B SILVERBERG001113 -ST. PAUL -MN		
04-02	03-30	00000000004641794020000	PAYPAL *ANGELAHOME 402-935-7733 CA	150.78	
04-09	04-06	00000000004641794020000	ALLIANCE REPORTING SER MINEOLA NY	1,688.75	
04-09	04-06	00000000004641794020000	FINCUN MANCINI COURTY R CLEVELAND OH	1,614.00	
04-12	04-11	00000000004641794020000	PAYPAL *ANGELAHOME 4029357733 CA	347.38	
04-12	04-11	00000000004641794020000	PREFERRED LEGAL SERVIC 08004054056 TX	721.50	
04-13	04-12	00000000004641794020000	RESPONSIVE DATA SOLUTI WASHINGTON DC	210.24	
04-13	04-12	00000000004641794020000	ALLIANCE REPORTING SER MINEOLA NY	472.75	
04-13	04-12	00000000004641794020000	RESPONSIVE DATA SOLUTI WASHINGTON DC	153.00	
04-13	04-12	00000000004641794020000	RESPONSIVE DATA SOLUTI WASHINGTON DC	71.08	
04-13	04-12	00000000004641794020000	RESPONSIVE DATA SOLUTI WASHINGTON DC	120.84	
04-13	04-12	00000000004641794020000	RESPONSIVE DATA SOLUTI WASHINGTON DC	269.64	
04-13	04-12	00000000004641794020000	RESPONSIVE DATA SOLUTI WASHINGTON DC	304.68	
MELISSA STROM			CREDITS	PURCHASES	CASH ADV
			\$0.00	\$9,496.09	\$11,161.42
					TOTAL ACTIVITY
					\$20,657.51
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-20	03-19	55446412080206986700010	SEQUENTIAL, INC WASHINGTON DC	297.38	
03-21	03-20	00000000004621685031000	*FINANCE CHARGE* CASH ADVANCE FEE	0.43	
03-21	03-20	00000000004621685031000	CASH ADVANCE FROM -	25.00	
03-21	03-20	00000000004621689011000	ATTORNEY REGISTRAT001272 -ST. PAUL -MN		
03-21	03-20	00000000004621689011000	*FINANCE CHARGE* CASH ADVANCE FEE	5.10	
03-21	03-20	00000000004621690014000	CASH ADVANCE FROM -	300.00	
03-21	03-20	00000000004621690014000	UNITED PROCESS SER001267 -ST. PAUL -MN		
03-21	03-20	00000000004621690014000	*FINANCE CHARGE* CASH ADVANCE FEE	0.34	
03-22	03-20	00000000004621716022000	CASH ADVANCE FROM -	20.00	
03-22	03-20	00000000004621716022000	CLERK DS COURT OF 001269 -ST. PAUL -MN		
03-26	03-23	85504992081900015100038	ABC IMAGING WASHINGTON DC	27.00	
03-26	03-23	00000000004651783017000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09	
03-26	03-23	00000000004651783017000	CASH ADVANCE FROM -	5.00	
03-27	03-26	00000000004612029018000	STATE OF NEW YORK 001270 -ST. PAUL -MN		
03-27	03-26	00000000004612029018000	*FINANCE CHARGE* CASH ADVANCE FEE	29.33	
03-28	03-27	00000000004621716022000	CASH ADVANCE FROM -	1,725.20	
03-28	03-27	00000000004621716022000	WILCOX FETZER LTD 001276 -ST. PAUL -MN		
03-28	03-27	00000000004621716022000	*FINANCE CHARGE* CASH ADVANCE FEE	12.95	
03-28	03-27	00000000004621716022000	CASH ADVANCE FROM -	761.76	
03-28	03-27	00000000004621716028000	SOUTHERN DISTRICT 001273 -ST. PAUL -MN		
03-28	03-27	00000000004621716028000	*FINANCE CHARGE* CASH ADVANCE FEE	9.03	
03-28	03-27	00000000004621716033000	CASH ADVANCE FROM -	531.33	
03-28	03-27	00000000004621716033000	MASTER TRANSCRIPTION001275 -ST. PAUL -MN		
03-28	03-27	00000000004621716033000	*FINANCE CHARGE* CASH ADVANCE FEE	7.24	
03-29	03-28	00000000004631728037000	CASH ADVANCE FROM -	426.00	
03-29	03-28	00000000004631728037000	WELLS FARGO 001277 -ST. PAUL -MN		
04-02	03-30	55429502090849041580245	*FINANCE CHARGE* CASH ADVANCE FEE	0.94	
04-02	03-30	55429502090849041914949	CASH ADVANCE FROM -	55.00	
04-02	03-30	55429502090849041914949	SERVICE OF PROCESS001274 -ST. PAUL -MN		
04-02	03-30	55429502090849041914949	PAYPAL *ATLEGALSER 4029357733 CA	118.00	
04-02	03-30	55429502090849041914949	PAYPAL *ATLEGALSER 4029357733 CA	237.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-02	03-30		PAYPAL *ATGLEGALSER 4029357733 CA	119.00	
04-02	03-30		PAYPAL *ATGLEGALSER 4029357733 CA	233.00	
04-02	03-31		PAYPAL *ATGLEGALSER 402-935-7733 CA	233.00	
04-02	03-31		PAYPAL *ATGLEGALSER 402-935-7733 CA	119.00	
04-02	03-30		ANDERSON COURT REPORTI 703-5197180 VA	1,562.02	
04-02	03-30		ANDERSON COURT REPORTI 703-5197180 VA	1,272.75	
04-06	04-05		REAL-TIME REPORTERS 03125789323 IL	539.50	
04-06	04-05		KRUSE & ASSOCIATES LTD 312-3451500 IL	1,699.50	
04-06	04-05		KRUSE & ASSOCIATES LTD 312-3451500 IL	925.00	
04-06	04-05		KRUSE & ASSOCIATES LTD 312-3451500 IL	1,236.00	
04-09	04-06		CAPITOL PROCESS SERVIC 202-6670050 VA	255.00	
04-09	04-06		CAPITOL PROCESS SERVIC 202-6670050 VA	110.00	
04-09	04-06		ANDERSON COURT REPORTI 703-5197180 VA	324.19	
04-11	04-10		*FINANCE CHARGE* CASH ADVANCE FEE	8.55	
04-11	04-10		CASH ADVANCE FROM -	502.90	
04-11	04-10	00000000004621374002000	SUSAN SOBLE ASSOCI001282 -ST. PAUL -MN		
04-11	04-10	00000000004621374002000	*FINANCE CHARGE* CASH ADVANCE FEE	8.09	
04-11	04-10	00000000004621374002000	CASH ADVANCE FROM -	475.90	
04-11	04-10	00000000004621374003000	SUSAN SOBLE ASSOC 001278 -ST. PAUL -MN		
04-11	04-10	00000000004621374003000	*FINANCE CHARGE* CASH ADVANCE FEE	7.72	
04-11	04-10	00000000004621374003000	CASH ADVANCE FROM -	454.30	
04-11	04-10	00000000004621374004000	SUSAN SOBLE ASSOC001279 -ST. PAUL -MN		
04-11	04-10	00000000004621374004000	*FINANCE CHARGE* CASH ADVANCE FEE	7.63	
04-11	04-10	00000000004621374004000	CASH ADVANCE FROM -	448.90	
04-11	04-10	00000000004621374005000	SUSAN SOBLE ASSOC001280 -ST. PAUL -MN		
04-11	04-10	00000000004621374005000	*FINANCE CHARGE* CASH ADVANCE FEE	5.15	
04-11	04-10	00000000004621374005000	CASH ADVANCE FROM -	303.10	
04-11	04-10	00000000004621374006000	SUSAN SOBLE ASSOC 001281 -ST. PAUL -MN		
04-11	04-10	00000000004621374006000	*FINANCE CHARGE* CASH ADVANCE FEE	28.11	
04-11	04-10	00000000004621374006000	CASH ADVANCE FROM -	1,653.30	
04-11	04-10	00000000004621374007000	SUSAN SOBLE ASSOC001284 -ST. PAUL -MN		
04-11	04-10	00000000004621374007000	*FINANCE CHARGE* CASH ADVANCE FEE	28.47	
04-11	04-10	00000000004621374007000	CASH ADVANCE FROM -	1,674.90	
04-11	04-10	00000000004621374008000	SUSAN SOBLE ASSOC 001283 -ST. PAUL -MN		
04-11	04-10	00000000004621374008000	*FINANCE CHARGE* CASH ADVANCE FEE	13.62	
04-11	04-10	00000000004621374008000	CASH ADVANCE FROM -	801.33	
04-19	04-18	00000000004631259028000	SUSAN SOBLE ASSOC001285 -ST. PAUL -MN		
04-19	04-18	00000000004631259028000	*FINANCE CHARGE* CASH ADVANCE FEE	16.96	
04-19	04-18	00000000004631259028000	CASH ADVANCE FROM -	997.50	
04-19	04-18	00000000004631259028000	KUTAK ROCK LLP 001286 -ST. PAUL -MN		
LEA-ANN BIGELOW					
			CREDITS \$0.00	PURCHASES \$99.99	CASH ADV \$0.00
					TOTAL ACTIVITY \$99.99
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-28	03-27	55546552087471583261197	INUMBR SACRAMENTO CA	99.99	
			Department: 05001 Total:	\$29,023.78	
ROSEMARY HOLLINGER					
			CREDITS \$0.00	PURCHASES \$0.15	CASH ADV \$8.75
					TOTAL ACTIVITY \$8.90



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-17	04-16	00000000004611735005000	*FINANCE CHARGE* CASH ADVANCE FEE	0.15	
04-17	04-16	00000000004611735005000	CASH ADVANCE FROM -	8.75	
			FL SECRETARY OF ST001079 -ST. PAUL -MN		
SCOTT WILLIAMSON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$2,073.74	\$220.00	\$2,293.74
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-28	03-27	55309592088207636700019	SERVING BY IRVING INC 0212233346 NY	2,000.00	
03-29	03-28	55429502088849945843800	PAYPAL *ROCKLEGALSE 4029357733 CA	70.00	
04-09	04-06	00000000004651592015000	*FINANCE CHARGE* CASH ADVANCE FEE	3.74	
04-09	04-06	00000000004651592015000	CASH ADVANCE FROM -	220.00	
			BOYD'S PROCESS SER001036 -ST. PAUL -MN		
Department: 05002 Total:				\$2,302.64	
Division: 00001 Total:				\$31,326.42	
JANIS KELLY		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$70.74	\$15,969.11	\$0.00	\$15,998.37
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-20	03-19	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	215.19	
03-22	03-21	00000000000000000000000	ERGOQUEST, INC. GRAND RAPIDS MI	1,840.00	
03-23	03-22	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	585.64	
03-23	03-22	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	480.17	
03-23	03-22	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	245.97	
03-23	03-22	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	25.60	
03-23	03-22	00000000000000000000000	STANDARD OFFICE SUPPLY 02028294820 DC	118.26	
03-27	03-26	00000000000000000000000	STANDARD OFFICE SUPPLY 02028294820 DC	70.74 CR	
03-28	03-27	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	248.39	
03-28	03-27	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	627.21	
03-28	03-27	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	79.90	
03-28	03-26	00000000000000000000000	THE HOME DEPOT #2583 WASHINGTON DC	210.13	
03-28	03-27	00000000000000000000000	MYBINDING.COM 05036405920 OR	273.90	
03-30	03-29	00000000000000000000000	STAPLS8226601678000 800-3333330 CA	19.99	
03-30	03-29	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	171.99	
03-30	03-28	00000000000000000000000	WALZ POSTAL SOLUTIONS, 951-491-6800 CA	697.20	
04-02	03-30	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	80.68	
04-02	03-30	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	356.53	
04-02	03-30	00000000000000000000000	IMAGISTICSINV 20413496 203-365-6043 CT	1,615.00	
04-02	03-27	00000000000000000000000	NATIONAL MAILING SYSTE DHARDY@NATION VA	205.50	
04-03	04-02	00000000000000000000000	AOP BUSINESS SERVICES 02025260586 DC	14.95	
04-10	04-09	00000000000000000000000	NUCRAFT FURNITURE COMP 616-784-6016 MI	4,372.04	
04-16	04-13	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	159.99	
04-16	04-13	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	120.80	
04-16	04-13	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	126.32	
04-16	04-13	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	418.35	
04-16	04-13	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	379.81	
04-16	04-13	00000000000000000000000	STANDARD OFFICE SUPPLY 02028294820 DC	370.23	
04-17	04-16	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	69.60	
04-17	04-16	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	274.21	
04-17	04-16	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	548.66	
04-19	04-18	00000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	246.90	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-19	04-18	55506292109014000515293	AOP BUSINESS SERVICES 02025260586 DC	695.00	
LOILBERMAN [REDACTED]		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$6,801.39	\$60.00	\$6,861.39
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-23	03-22	[REDACTED]	ADCOCKS SYSTEMS LLC 03018433661 MD	1,132.52	
03-27	03-26	[REDACTED]	ADT*SECURITY SERVICES 800-238-2455 FL	178.10	
03-28	03-27	[REDACTED]	BLK/ RAPID REFILL NEWINGTON VA	343.30	
03-28	03-27	[REDACTED]	BLK/ RAPID REFILL NEWINGTON VA	165.00	
03-30	03-30	[REDACTED]	MARCONI APPLIANCE PART 877-8275003 MO	39.77	
04-03	04-02	[REDACTED]	ELFCITRONIC ENVIRONS CO 07813022600 MO	547.86	
04-03	04-02	[REDACTED]	NATELCO CORPORATION CAPITOL HEIGHT MD	450.00	
04-03	04-02	[REDACTED]	*FINANCE CHARGE* CASH ADVANCE FEE	1.02	
04-03	04-02	[REDACTED]	CASH ADVANCE FROM -	60.00	
04-09	04-06	85454912097900012200047	AT'S FIRE PROTECTION0001004 - ST. PAUL -MN		
04-09	04-06	85454912097900012200054	KENSINGTON GLASS ARTS IJAMSVILLE MD	1,290.32	
04-13	04-12	55457022103207088500049	KENSINGTON GLASS ARTS IJAMSVILLE MD	375.00	
04-19	04-18	55488722109206954000011	W F BOWERS & ASSOC INC 03014192488 MD	535.00	
			ELECTRONIC ENVIRONS CO 07813022600 MA	1,737.50	
LESTER HARDING [REDACTED]		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$2,272.53	\$0.00	\$2,272.53
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-26	03-24	55480772084207568300012	OBERTHUR TECH OF AMERI 06105242410 PA	300.00	
04-09	04-07	55547502098286302500126	IDENTITY STRONGHOLD 08006102770 FL	1,972.53	
HENRY HANSEN [REDACTED]		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$1,158.67	\$0.00	\$1,158.67
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-22	03-21	[REDACTED]	ADT*SECURITY SERVICES 800-238-2455 FL	175.39	
03-30	03-29	[REDACTED]	CALDERON LOCKSMITH NEW YORK NY	78.50	
04-09	04-05	[REDACTED]	SUPREME SYSTEMS INC NEW YORK NY	33.00	
04-16	04-11	[REDACTED]	ALL STATE LEGAL CRANFORD NJ	240.00	
04-17	04-16	[REDACTED]	ADT*SECURITY SERVICES 800-238-2455 FL	175.39	
04-17	04-16	[REDACTED]	ADT*SECURITY SERVICES 800-238-2455 FL	175.39	
04-18	04-16	[REDACTED]	SHRED IT USA NATL ACCT 09058292794 CA	148.00	
04-18	04-16	[REDACTED]	SHRED IT USA NATL ACCT 09058292794 CA	100.00	
04-18	04-16	[REDACTED]	SUPREME SYSTEMS INC NEW YORK NY	33.00	
NYREE THOMAS [REDACTED]		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$3,118.89	\$0.00	\$3,118.89



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-26	03-22		SHRED IT USA NATL ACCT 09058292794 CA	184.00	
03-28	03-27		CALDERON LOCKSMITH NEW YORK NY	275.00	
03-29	03-28		GSA/FAS 703-605-5635 VA	278.00	
03-29	03-28		GSA/FAS 703-605-5635 VA	460.00	
03-29	03-28		GSA/FAS 703-605-5635 VA	190.92	
03-29	03-28		GSA/FAS 703-605-5635 VA	202.96	
03-30	03-29		GSA/FAS 703-605-5635 VA	18.48	
04-04	04-03		INDUSTRIES FOR THE BLJ 414-778-3040 WI	1,065.04	
04-09	04-06		OFFICE DEPOT #5910 800-463-3768 PA	343.36	
04-09	04-06		OFFICE DEPOT #5910 800-463-3768 PA	90.13	
SARAH LAMBROSEK		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$239.99	\$4,942.71	\$0.00	\$4,702.72
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-22	03-20	25411172081081323328707	MIDWEST TIME RECORDER 800-5598963 IL	718.00	
03-26	03-23	55547502083122737010281	GARVEY'S OFFICE PRODUC 08475881690 IL	962.04	
04-09	04-06	55547502097122747010598	GARVEY'S OFFICE PRODUC 08475881690 IL	562.29	
04-13	04-12	55547502103122751010084	GARVEY'S OFFICE PRODUC 08475881690 IL	1,435.82	
04-16	04-13	55547502104122752010765	GARVEY'S OFFICE PRODUC 08475881690 IL	238.99CR	
04-16	04-13	55547502104122752010567	GARVEY'S OFFICE PRODUC 08475881690 IL	1,173.75	
04-17	04-16	55547502107122753010522	GARVEY'S OFFICE PRODUC 08475881690 IL	86.71	
THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$4,532.66	\$0.00	\$4,532.66
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-19	05410192081724244513250	CORNER BAKERY 01101385 CHICAGO IL	287.91	
03-26	03-23	55547502083122737010380	GARVEY'S OFFICE PRODUC 08475881690 IL	1,037.25	
03-26	03-23	55547502083122737010661	GARVEY'S OFFICE PRODUC 08475881690 IL	615.75	
03-28	03-27	55547502087122739010038	GARVEY'S OFFICE PRODUC 08475881690 IL	94.05	
04-03	04-02	55536072083818001360869	HILL MECHANICAL SERVIC 0474519066 IL	423.20	
04-17	04-16	55547502107122753010142	GARVEY'S OFFICE PRODUC 08475881690 IL	2,074.50	
Department: 05004 Total:					\$38,545.23
MARGIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$436.50	\$0.00	\$436.50
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-19	25204672080000526165519	PORT OF PIRAEUS II WASHINGTON DC	224.00	
03-30	03-29	55488722089207947400213	LA BAGUETTE DE PARIS WASHINGTON DC	212.50	
CATHY WICYKOJSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$127.13	\$125.00	\$127.13





Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-27		TREASURY FMS - GWA 202-874-9613 MD	570.00
03-28	03-27		TREASURY FMS - GWA 202-874-9613 MD	570.00
03-28	03-27		TREASURY FMS - GWA 202-874-9613 MD	570.00
03-28	03-27		TREASURY FMS - GWA 202-874-9613 MD	570.00
03-29	03-28		TREASURY FMS - GWA 202-874-9613 MD	570.00
03-29	03-28		ISDA 212-901-6000 NY	650.00
03-29	03-28		ISDA 212-901-6000 NY	650.00
03-29	03-27		KNOWLOGY CORP 07035329777 VA	1,091.25
03-30	03-29		AM SOC TRAINING AND DE 703-6838100 VA	1,100.00
03-30	03-30		GRADUATE SCHOOL REG 08887444723 DC	795.00
03-30	03-30		GRADUATE SCHOOL REG 08887444723 DC	975.00
04-02	03-29		OPM-PHIL SVC CTR PHILADELPHIA PA	340.00
04-02	03-29		OPM-PHIL SVC CTR PHILADELPHIA PA	340.00
04-02	03-29		LEARNING TREE INTERNAT RESTON VA	2,213.00
04-02	03-29		AMERICAN MGMT ASSOC SARANAC LAKE NY	1,623.00
04-02	03-29		AMERICAN MGMT ASSOC SARANAC LAKE NY	1,623.00
04-02	03-29		AMERICAN MGMT ASSOC SARANAC LAKE NY	1,623.00
04-02	03-29		AMERICAN MGMT ASSOC SARANAC LAKE NY	1,623.00
04-02	03-30		THE INSTITUTE FOR FINA WASHINGTON DC DC	1,100.00
04-02	03-30		AMERICAN BAR ASSOCIATI 800-2852221 IL	295.00
04-03	04-02		ENERGY BAR ASSOCIA WASHINGTON DC	200.00
04-06	04-05		CFA INSTITUTE 434-951-5499 VA	1,150.00
04-09	04-07		AMERICAN BAR ASSOCIATI 800-2852221 IL	405.00 CR
04-10	04-09		HEMSLEY FRASER IN WOBIJRN MA	250.00
04-11	04-10		NARA NWML TRAINING 817-551-2004 MD	1,500.00
04-11	04-10		RAPID INTAKE, INC. 03604504136 UT	849.00
04-11	04-10		EMC GLOBAL EVENTS 05082496499 MA	1,995.00
04-12	04-11		NARA NWML TRAINING 817-551-2004 MD	1,150.00
04-12	04-10		LEARNING TREE INTERNAT RESTON VA	2,317.00
04-16	04-13		THE ESCAL INSTITUTE BETHESDA MD	4,395.00
04-16	04-14		DC BAR 02027374700 DC	209.00
04-17	04-16		MICROSOFT CORP EVENTS 02067840626 WA	2,195.00
04-17	04-17		ASBA, INC. COLUMBIA MD	175.00
04-17	04-16		FEDERAL EMPLOYMENT LAW WELLFLEET MA	1,950.00
CYNTHIA WATSON				
			CREDITS	PURCHASES
			\$614.05	\$113,696.85
			CASH ADV	TOTAL ACTIVITY
			\$0.00	\$113,082.80
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-21	03-19		ENTRUST INC. 186 62679297 TX	131.94
03-22	03-21		DIV/DIRECTV SERVICE 800-347-3288 CA	234.99
03-23	03-21		TIME WARNER CABLE 816-3686833 MO	253.35
03-23	03-22		ATT CONS PHONE PMT 800-704-8324 TX	41.75
03-26	03-25		DR1 WWW.ELEMENTS.INFO MINNETONKA MN	750.00
03-26	03-23		RE1 MATTHEW BENDER & CO 800-833-9844 NY	3,000.00
03-28	03-27		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	45.98
03-28	03-28		RE1 MATTHEW BENDER & CO 800-833-9844 NY	1,110.00
04-02	03-30		EMERGENT LLC VIRGINIA BCH VA	24,944.00
04-02	03-30		TRIVANTIS CORPORATION 513-9290188 OH	24,988.00
04-02	03-31		AUTOPAY/DISH NTWK 800-894-9131 CO	146.99
04-02	03-29		GRASSHOPPER.COM/CHARGE NEEDHAM MA	59.39
04-03	04-02		WWW.NEWEGG.COM 800-390-1119 CA	405.75
04-03	04-02		WWW.NEWEGG.COM 800-390-1119 CA	171.97
04-03	04-02		WWW.NEWEGG.COM 800-390-1119 CA	351.55
04-03	04-02		WWW.NEWEGG.COM 800-390-1119 CA	70.96
04-03	04-02		ATTM *287240832047 08003310500 GA	133.93
04-03	03-30		SYNNEX 888-6887558 CA	717.73
04-04	04-03		OFFICE DEPOT #5910 800-463-3768 PA	134.30
04-04	04-03		DATA LINK ASSOCIATES 516-6798155 NY	1,585.00



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-05 04-04			DRI*WWW.ELEMENTS.INF MINNETONKA MN	750.00CR
04-05 04-05			COMCAST OF WASHINGTON 800-COMCAST DC	106.95
04-06 04-04			PATRIOT TECHNOLOGIES 1 301-695-7500 MD	21,046.68
04-06 04-05			ENIRUST INC 186 62879287 TX	245.96
04-09 04-06			AMAZON.COM AMZN.COM/BILL WA	53.97
04-12 04-11			OFFICE DEPOT #5910 800-463-3768 PA	82.79
04-12 04-11			CROSS MATCH TECHNOLOGI PALM BEACH GA FL	1,838.58
04-12 04-10			AUTOPAYDISH NTWK 800-894-9131 CO	118.99
04-13 04-12			STAPLS010722333300002 SOUTH HACKENS NJ	30.76
04-13 04-11			IMPAC COMPUTER SUPPLIE IMPAC65@AOL.C NJ	535.23
04-13 04-11			ACORN OFFICE PRODUCTS. BILL@ACORNOFF NJ	1,187.11
04-16 04-13			OFFICE DEPOT #5910 800-463-3768 PA	70.84
04-16 04-13			OFFICE DEPOT #5910 800-463-3768 PA	414.75
04-16 04-13			CROSS MATCH TECHNOLOGI PALM BEACH GA FL	1,838.58
04-16 04-12			CAPP USA 610-3941142 PA	43.12
04-16 04-13			SUPPLY SAVERS 07329384000 NJ	341.70
04-16 04-12			NEW YORK INKJET, LLC BALDWIN NY	109.06
04-16 04-14			VZWRLSSAPOCC VISE 800-922-0204 NJ	430.10
04-16 04-15			INTUIT QB ENTERPRISE 888-246-8848 CA	2,000.00
04-16 04-12			AMERICAN LASER INC HYATTSVILLE MD	758.00
04-16 04-12			ECONOMIC SYSTEMS INC FALLS CHURCH VA	2,025.00
04-17 04-16			GSA/FAS 703-605-5635 VA	143.56
04-17 04-16			WWW.NEWEGG.COM 800-390-1119 CA	209.97
04-17 04-16			QIT*OPEN TEXT INC 519-888-7111 NH	13,038.80
04-17 04-16			WWW.NEWEGG.COM 800-390-1119 CA	1,399.80
04-17 04-17			SERVER SUPPLY.COM INC 718-729-3535 NY	120.85
04-17 04-17			APL*APPLEONLINESTOREUS 800-676-2775 CA	169.49
04-17 04-16			RIBBONS EXPRESS INC 0800539949 NJ	288.68
04-17 04-16			VETERAN CORPS OF AMERI 06155073900 TN	64.05CR
04-18 04-16			NEW YORK INKJET, LLC BALDWIN NY	414.75
04-18 04-17			OFFICE DEPOT #5910 800-463-3768 PA	414.75
04-18 04-16			OFFICE XPRESS INC 818-8845737 CA	102.20
04-18 04-17			VETERAN CORPS OF AMERI 06155073900 TN	340.23
04-19 04-17			TOUCHCOM INC 781-4570700 MA	3,403.92
04-19 04-18			SOFTMART 08003281319 PA	1,375.70
Department: 05009 Total:				\$161,513.99
BEVERLY BROWN				
CREDITS		PURCHASES	CASH ADV	TOTAL ACTIVITY
\$0.00		\$13,075.22	\$0.00	\$13,075.22
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-22 03-21			GSA/FAS 703-605-5635 VA	158.80
03-22 03-21			GOVERNMENT ACQUISITION 513-7218700 OH	137.65
03-26 03-24			DMT*DELL FEDERAL 800-727-1100 TX	163.16
03-28 03-27			A&T NETWORKS COLUMBIA MD	4,733.43
04-09 04-07			DMT*DELL FEDERAL 800-727-1100 TX	815.80
04-09 04-07			APL*APPLE ITUNES STORE 866-712-7753 CA	37.04
04-11 04-09			VEE MODEL MANAGEMENT 972-743-6749 TX	4,629.98
04-16 04-14			ZAGG SALT LAKE CIT UT	2,399.36
Department: 05010 Total:				\$13,075.22
Division: 00005 Total:				\$174,569.21



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

NEW ACTIVITY					
DANIEL MAY [REDACTED]		CREDITS \$0.00	PURCHASES \$7,700.16	CASH ADV \$15.00	TOTAL ACTIVITY \$7,715.16
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-22	03-21		CPM GROUP NEW YORK NY	285.95	
04-02	03-29		CONGRESSIONAL QUARTERL 202-650-6500 DC	3,127.00	
04-05	04-04		AGRESOURCEC 3124080045 IL	65.00	
04-13	04-12		DEWEY PUBLICATIONS INC 07035241355 VA	190.00	
04-16	04-13		STUDENT'S BOOK COMPANY WASHINGTON DC	30.95	
04-16	04-13		*FINANCE CHARGE* CASH ADVANCE FEE	6.26	
04-16	04-13		CASH ADVANCE FROM -	15.00	
04-18	04-17	55547502109254153010014	GEORGE KINGSTON UN001058 -ST. PAUL -MN THE PRO EXPORTER NETWO 07344750454 MI	4,000.00	
Department: 05013 Total:				\$7,715.16	
Division: 00007 Total:				\$7,715.16	
VENITA HILL [REDACTED]		CREDITS \$0.00	PURCHASES \$1,974.70	CASH ADV \$0.00	TOTAL ACTIVITY \$1,974.70
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-06	04-05	55429502097027825316671	COURT CALL *4852598 03103420888 CA	72.00	
04-12	04-11	85418362102118000100014	AMERICAN BAR ASSOCIATI 800-2852221 IL	1,830.70	
04-18	04-17	55429502109027863639428	COURT CALL *4877306 03103420888 CA	72.00	
Department: 05016 Total:				\$1,974.70	
Division: 00009 Total:				\$1,974.70	
JANIS KELLY V1 HO [REDACTED]		CREDITS \$0.00	PURCHASES \$606.72	CASH ADV \$0.00	TOTAL ACTIVITY \$606.72
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-20		EXXONMOBIL 47827449 WASHINGTON DC	42.00	
03-22	03-20		SUNOCO 0299792200 WASHINGTON DC	64.84	
03-27	03-26		EXXONMOBIL 47827449 WASHINGTON DC	57.46	
03-28	03-26		MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99	
03-29	03-27		MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99	
03-29	03-27		SUNOCO 0299792200 WASHINGTON DC	78.00	
04-05	04-04		EXXONMOBIL 47821814 WASHINGTON DC	46.70	
04-06	04-04		SUNOCO 0299792200 WASHINGTON DC	80.30	
04-09	04-05		MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99	
04-09	04-05		MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99	
04-16	04-12		EXXONMOBIL 47827449 WASHINGTON DC	51.00	
04-16	04-12		MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99	
04-16	04-12		MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99	
04-16	04-12		SUNOCO 0299792200 WASHINGTON DC	91.48	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2012

Department: 05017 Total:	\$606.72
Division: 00010 Total:	\$606.72



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



ACCOUNT NUMBER	
STATEMENT DATE	05-19-2012
AMOUNT DUE	\$16,926.99
NEW BALANCE	\$16,926.99
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT	

000005248 2 SP 106481608812055 S

CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

AMOUNT ENCLOSED  
\$  
*Please make check payable to "U.S. Bank"*

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

## ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

[illegible]

Default Accounting Code:				
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER <div></div>		ACCOUNT SUMMARY	
	STATEMENT DATE 05/19/12		PREVIOUS BALANCE 8,473.48	
			PURCHASES & OTHER CHARGES 196,170.91	
			SELF ASSESSED INTEREST PENALTY .00	
DISPUTED AMOUNT .00		CHECKS 7,792.67		
		CHECK FEE 132.49		
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	AMOUNT DUE  16,926.99		CREDITS 4,348.13	
			CURRENT BILLING ACTIVITY 199,747.94	
			PAYMENTS 191,294.43	
			ACCOUNT BALANCE 16,926.99	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 05-19-2012

CORPORATE ACCOUNT ACTIVITY					
CFTC [REDACTED]		TOTAL CORPORATE ACTIVITY \$191,294.43 CR			
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-20	04-20	7556963211111111111122	WIRE PAYMENT	8,473.48	PY
04-23	04-23	7556963211411411111123	WIRE PAYMENT	5,688.27	PY
04-24	04-24	7556963211511511111129	WIRE PAYMENT	31,742.61	PY
04-25	04-25	7556963211611611111126	WIRE PAYMENT	5,123.17	PY
04-26	04-26	7556963211711711111123	WIRE PAYMENT	4,072.90	PY
04-27	04-27	7556963211811811111120	WIRE PAYMENT	16,200.88	PY
04-30	04-30	7556963212121211111129	WIRE PAYMENT	11,962.93	PY
05-01	05-01	7556963212212211111126	WIRE PAYMENT	4,108.80	PY
05-02	05-02	7556963212312311111123	WIRE PAYMENT	9,232.37	PY
05-03	05-03	7556963212412411111120	WIRE PAYMENT	21,177.78	PY
05-04	05-04	7556963212512511111126	WIRE PAYMENT	242.00	PY
05-07	05-07	7556963212812811111135	WIRE PAYMENT	7,508.04	PY
05-07	05-07	7556963212812811111143	WIRE PAYMENT	.02	PY
05-08	05-08	7556963212812911111124	WIRE PAYMENT	16,389.45	PY
05-09	05-09	7556963213013011111160	WIRE PAYMENT	1,751.85	PY
05-10	05-10	7556963213113111111266	WIRE PAYMENT	5,436.41	PY
05-11	05-11	7556963213213211111123	WIRE PAYMENT	7,017.40	PY
05-14	05-14	7556963213513511111131	WIRE PAYMENT	18,675.56	PY
05-15	05-15	7556963213613611111120	WIRE PAYMENT	4,144.10	PY
05-16	05-16	7556963213713711111127	WIRE PAYMENT	2,605.37	PY
05-17	05-17	7556963213813811111124	WIRE PAYMENT	7,701.77	PY
05-18	05-18	7556963213913911111121	WIRE PAYMENT	2,039.30	PY

NEW ACTIVITY					
KATHRYN M. BISON [REDACTED]		CREDITS \$0.00	PURCHASES \$2,215.42	CASH ADV \$0.00	TOTAL ACTIVITY \$2,215.42
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-30	04-27	85504982120900014790766	ANDERSON COURT REPORT 703-5197180 VA	824.47	
05-10	05-09	55480772131200292300071	ATKINSON-BAKER INC 08185517310 CA	1,390.95	
Department: 00000 Total:				\$2,215.42	
Division: 00000 Total:				\$2,215.42	
MONICA GREEN [REDACTED]		CREDITS \$0.00	PURCHASES \$3,901.28	CASH ADV \$1,015.00	TOTAL ACTIVITY \$4,916.28
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-26	04-25	55480772116200121600047	THE STATE BAR OF CALIF 04155382100 CA	40.00	
05-01	04-30	000000000004611567015000	*FINANCE CHARGE* CASH ADVANCE FEE	1.53	
05-01	04-30	000000000004611567015000	CASH ADVANCE FROM -	90.00	
			LEGAL WINGS 001114 -ST. PAUL -MN		
05-04	05-03	00000000004600007024000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09	
05-04	05-03	00000000004600007024000	CASH ADVANCE FROM	5.00	
			CLERK DC COURT OF 001115 -ST. PAUL -MN		
05-07	05-04	25260052126126353535508	ESQUIRE DEPOSITION SOL 404-4437151 GA	3,213.25	
05-07	05-04	55417342126121263029019	CORPORATE LANGUAGE SER 212-7664111 NY	630.76	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 05-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-10	05-09	000000000460009039000	*FINANCE CHARGE* CASH ADVANCE FEE	13.60	
05-10	05-09	000000000460009039000	CASH ADVANCE FROM -	800.00	
05-14	05-11	0000000004600006020000	ABC PROCESS SERVICE001116 -ST. PAUL -MN		
05-14	05-11	0000000004600006020000	*FINANCE CHARGE* CASH ADVANCE FEE	1.28	
05-14	05-11	0000000004600006020000	CASH ADVANCE FROM -	75.00	
05-17	05-16	0000000004600014013000	STERLING MADISON C001118 -ST. PAUL -MN		
05-17	05-16	0000000004600014013000	*FINANCE CHARGE* CASH ADVANCE FEE	0.77	
05-17	05-16	0000000004600014013000	CASH ADVANCE FROM -	45.00	
05-17	05-16	0000000004600014013000	STADTHMORE & ASSOC001120 -ST. PAUL -MN		
MELISSA STROM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$8,116.75	\$1,814.07	\$9,930.82
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-20	04-19	55547502110254114010019	REAL-TIME REPORTERS 03125789323 IL	468.85	
04-20	04-19	55547502110254114010027	REAL-TIME REPORTERS 03125789323 IL	533.90	
04-20	04-19	55547502110254114010035	REAL-TIME REPORTERS 03125789323 IL	1,011.00	
04-20	04-19	0000000004641332013000	*FINANCE CHARGE* CASH ADVANCE FEE	3.32	
04-20	04-19	0000000004641332013000	CASH ADVANCE FROM -	195.00	
04-23	04-20	25486752112112232979900	PRONTO PROCESS - 001288 -ST. PAUL -MN		
04-23	04-20	25486752112112232980403	VERITEXT HOLDING CORP FLORHAM PARK NJ	2,029.87	
04-23	04-20	55432862111000578795941	VERITEXT HOLDING CORP FLORHAM PARK NJ	2,404.85	
04-25	04-24	0000000004621264031000	24/7 PROCESS SERVICE & 630-620-5599 IL	75.00	
04-25	04-24	0000000004621264031000	*FINANCE CHARGE* CASH ADVANCE FEE	1.87	
04-25	04-24	0000000004621264031000	CASH ADVANCE FROM -	110.00	
04-27	04-26	0000000004641567023000	ALLEN & ASSOCIATES001287 -ST. PAUL -MN		
04-27	04-26	0000000004641567023000	*FINANCE CHARGE* CASH ADVANCE FEE	13.46	
04-27	04-26	0000000004641567023000	CASH ADVANCE FROM -	791.55	
04-27	04-26	0000000004641569018000	MICHELLE KACZYNSKI001292 -ST. PAUL -MN		
04-27	04-26	0000000004641569018000	*FINANCE CHARGE* CASH ADVANCE FEE	1.89	
04-27	04-26	0000000004641569018000	CASH ADVANCE FROM -	111.10	
04-30	04-27	0000000004651300030000	UTAH COMMUNITY CRE001293 -ST. PAUL -MN		
04-30	04-27	0000000004651300030000	*FINANCE CHARGE* CASH ADVANCE FEE	0.44	
04-30	04-27	0000000004651300030000	CASH ADVANCE FROM -	25.97	
05-03	05-02	0000000004600009029000	AMERICA FIRST CRE001291 -ST. PAUL -MN		
05-03	05-02	0000000004600009029000	*FINANCE CHARGE* CASH ADVANCE FEE	9.87	
05-03	05-02	0000000004600009029000	CASH ADVANCE FROM -	580.45	
05-04	05-03	55432862124000100097217	SCOTT COURT REPORT001290 -ST. PAUL -MN		
05-04	05-03	55432862124000100098017	SQ *COURTESY PROCESS S DORAL FL	60.00	
05-04	05-03	55500802124514000155258	SQ *COURTESY PROCESS S DORAL FL	60.00	
05-04	05-03	85247712124390048406084	ADVANTAGE REPORTING PEORIA IL	852.00	
05-04	05-03	85247712124390048406084	RESPONSIVE DATA SOLUTI WASHINGTON DC	289.96	
05-08	05-07	75418232128420643854254	GODADDY.COM 480-5058855 AZ	299.47	
LEA-ANN BIGELOW		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$133.99	\$2,000.00	\$2,133.99
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-25	04-24	55546552115471583261185	INUMBR SACRAMENTO CA	99.99	
05-07	05-04	0000000004600007013000	*FINANCE CHARGE* CASH ADVANCE FEE	34.00	
05-07	05-04	0000000004600007013000	CASH ADVANCE FROM -	2,000.00	
05-07	05-04	0000000004600007013000	GARDERE ARENA ASO 001004 -ST. PAUL -MN		



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NEW ACTIVITY					
Department: 05001 Total:				\$16,981.09	
ROSEMARY HOLLINGER [REDACTED]		CREDITS \$0.00	PURCHASES \$30.00	CASH ADV \$0.00	TOTAL ACTIVITY \$30.00
Post Date	Tran Date	Reference Number	Transaction Description		Amount
05-18	05-16	25263592138138174995504	MCLE BOARD 312-9242421 IL		30.00
Department: 05002 Total:				\$30.00	
Division: 00001 Total:				\$17,011.09	
JANIS KELLY [REDACTED]		CREDITS \$281.66	PURCHASES \$12,341.90	CASH ADV \$0.00	TOTAL ACTIVITY \$12,060.24
Post Date	Tran Date	Reference Number	Transaction Description		Amount
04-20	04-19	054400411711060114060400000000	STANDARD OFFICE SUPPLY 02028294820 DC		150.85
04-23	04-20	054400420011111140004100000000	AOP BUSINESS SERVICES 02025260586 DC		695.00
04-26	04-25	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		145.62
04-26	04-25	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		517.48
04-26	04-25	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		302.52
04-26	04-25	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		263.13
04-26	04-25	054400404011111100000000000000	STANDARD OFFICE SUPPLY 02028294820 DC		492.11
04-27	04-25	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		281.66CR
04-30	04-28	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		48.99
04-30	04-28	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		87.75
04-30	04-27	054400404011111100000000000000	STANDARD OFFICE SUPPLY 02028294820 DC		23.92
05-01	04-30	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		310.74
05-01	05-01	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		128.20
05-03	05-02	054400404011111100000000000000	HUMANSIZE CORPORATION 07325372944 NJ		2,086.20
05-03	05-02	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		21.24
05-03	05-02	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		577.33
05-03	05-02	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		85.13
05-03	05-02	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		73.80
05-03	05-02	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		60.96
05-04	05-02	054400404011111100000000000000	THE HOME DEPOT #2583 WASHINGTON DC		27.52
05-09	05-08	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		440.14
05-09	05-08	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		1,187.96
05-09	05-08	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		365.66
05-10	05-09	054400404011111100000000000000	AOP BUSINESS SERVICES 02025260586 DC		67.14
05-11	05-10	054400404011111100000000000000	HAWORTH INC. 06163931037 MI		2,930.76
05-14	05-11	054400404011111100000000000000	STANDARD OFFICE SUPPLY 02028294820 DC		130.02
05-14	05-11	054400404011111100000000000000	STANDARD OFFICE SUPPLY 02028294820 DC		64.99
05-16	05-15	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		59.40
05-16	05-15	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		70.58
05-16	05-15	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		93.03
05-18	05-17	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		111.04
05-18	05-17	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		266.36
05-18	05-17	054400404011111100000000000000	OFFICE DEPOT #5910 800-463-3768 PA		456.33
LOUI BERMAN [REDACTED]		CREDITS \$0.00	PURCHASES \$3,193.94	CASH ADV \$0.00	TOTAL ACTIVITY \$3,193.94



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-26	04-25	[REDACTED]	GALAXY PAINTING AND DE WHEATON MD	500.00	
05-04	05-03	[REDACTED]	W E BOWERS & ASSOC INC 03014192488 MD	815.00	
05-09	05-07	[REDACTED]	DOMINION ELECTRIC SUPP 202-7890500 DC	537.20	
05-09	05-08	[REDACTED]	KENSINGTON GLASS ARTS /JAMSVILLE MD	375.00	
05-10	05-08	[REDACTED]	SEARS ROEBUC TELEPHONE 800-876-5543 AZ	14.08	
05-17	05-15	[REDACTED]	DOMINION ELECTRIC SUPP 202-7890500 DC	19.46	
05-17	05-15	[REDACTED]	DISTRICT HARDWARE - TH WASHINGTON DC	16.38	
05-18	05-16	[REDACTED]	DISTRICT HARDWARE - TH WASHINGTON DC	4.10	
05-18	05-17	[REDACTED]	W E BOWERS & ASSOC INC 03014192488 MD	912.72	
DENISE HAMM			CREDITS	PURCHASES	CASH ADV TOTAL ACTIVITY
[REDACTED]			\$0.00	\$2,725.16	\$0.00 \$2,725.16
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-23	04-19	55490402111261710930010	AVIO GALLERIES INC. LURAY VA	190.00	
05-09	05-07	85486142129558997010027	THE DESIGN POND GERMANTOWN MD	1,717.60	
05-10	05-09	55547502130602020319302	MAGNETICCONCEPTSCORP 8003344245 IN	33.64	
05-17	05-15	55490402137261710930028	AVIO GALLERIES INC. LURAY VA	783.92	
HENRY HANSEN			CREDITS	PURCHASES	CASH ADV TOTAL ACTIVITY
[REDACTED]			\$0.00	\$340.52	\$0.00 \$340.52
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-20	04-19	55547502111123225010037	CALDERON LOCKSMITH NEW YORK NY	4.50	
04-27	04-25	25265862117117293067403	ABM TRUSTCOMMERCE 713-7764545 TX	46.60	
05-01	04-30	05410192122105114220310	STAPLES 00101931 NEW YORK NY	120.31	
05-01	04-30	05410192122105155488271	STAPLES 00153108 NEW YORK NY	79.11	
05-07	05-04	85183532127980004557386	NEW YORK LEGAL FORMS 1 NEW YORK NY	90.00	
NVDSE THOMAS			CREDITS	PURCHASES	CASH ADV TOTAL ACTIVITY
[REDACTED]			\$0.00	\$1,629.54	\$0.00 \$1,629.54
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-23	04-20	[REDACTED]	PMT*SIMPLEXSTORE 800-6266206 CT	145.89	
04-27	04-25	[REDACTED]	ABM TRUSTCOMMERCE 713-7764545 TX	475.54	
05-04	05-03	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	483.80	
05-04	05-02	[REDACTED]	ALL STATE LEGAL CRANFORD NJ	57.95	
05-07	05-03	[REDACTED]	HANA JAPANESE NEW YORK NY	300.00	
05-10	05-08	[REDACTED]	ALL STATE LEGAL CRANFORD NJ	63.54	
05-10	05-09	[REDACTED]	ALL STATE LEGAL CRANFORD NJ	40.36	
05-11	05-10	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	62.46	
SARAH JAMBROSEK			CREDITS	PURCHASES	CASH ADV TOTAL ACTIVITY
[REDACTED]			\$184.93	\$3,914.02	\$0.00 \$3,729.09



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-25	04-24	55547502115122759010799	GARVEY'S OFFICE PRODUC 08475881690 IL	86.71 CR	
04-25	04-24	55547502115122759010336	GARVEY'S OFFICE PRODUC 08475881690 IL	74.53	
04-26	04-26	55432862117000018921077	TAB PRODUCTS/ETER SYS 920-387-1845 WI	738.69	
04-30	04-28	55547502119122763010013	GARVEY'S OFFICE PRODUC 08475881690 IL	98.22	
05-03	05-02	55547502123122766010261	GARVEY'S OFFICE PRODUC 08475881690 IL	495.10	
05-04	05-03	55547502124122767010814	GARVEY'S OFFICE PRODUC 08475881690 IL	96.22 CR	
05-04	05-03	55547502124122767010822	GARVEY'S OFFICE PRODUC 08475881690 IL	89.90	
05-09	05-08	55547502129122770010079	GARVEY'S OFFICE PRODUC 08475881690 IL	114.25	
05-09	05-08	55547502129122770010111	GARVEY'S OFFICE PRODUC 08475881690 IL	4.25	
05-11	05-10	55547502131122772010040	GARVEY'S OFFICE PRODUC 08475881690 IL	104.59	
05-15	05-14	55547502136122774010309	GARVEY'S OFFICE PRODUC 08475881690 IL	2,074.50	
05-16	05-15	55547502136122775010836	GARVEY'S OFFICE PRODUC 08475881690 IL	69.99	
05-17	05-16	55547502137122776010743	GARVEY'S OFFICE PRODUC 08475881690 IL	50.00	
THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$239.67	\$2,437.32	\$2,676.99
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-26	04-25	00000000004631216037000	*FINANCE CHARGE* CASH ADVANCE FEE	41.43	
04-26	04-25	00000000004631216037000	CASH ADVANCE FROM -	2,437.32	
05-09	05-08	55310202130006000079195	G4S TECHNOLOGY 001061 -ST. PAUL -MN PANDA EXPRESS 1241 CHICAGO IL	198.24	
Department: 05004 Total:					\$26,355.48
MARGIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$595.82	\$0.00	\$595.82
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-10	05-08	554213521309871671658449	MEI WAH RESTAURANT WASHINGTON DC	595.82	
CATHY WICKOWSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$562.73	\$172.00	\$734.73
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-30	04-27	05436842119100152603175	OFFICE DEPOT #1080 800-463-3768 CO	13.17	
04-30	04-27	05436842119100152603258	OFFICE DEPOT #1080 800-463-3768 MA	298.65	
05-08	05-07	25536062129103011892625	GRAEBEL COMPANIES, AURORA CO	228.00	
05-15	05-14	00000000004600003035000	*FINANCE CHARGE* CASH ADVANCE FEE	2.92	
05-15	05-14	00000000004600003035000	CASH ADVANCE FROM	172.00	
05-18	05-11	55421352138987167233875	THAI PLACE RESTAUR001106 -ST. PAUL -MN SENTRYSAFESHOP.COM FLAT ROCK MI	19.99	
Department: 05006 Total:					\$1,330.55
Division: 00003 Total:					\$27,686.03



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NEW ACTIVITY					
SONDA B OWENS		CREDITS \$0.00	PURCHASES \$20,671.57	CASH ADV \$304.28	TOTAL ACTIVITY \$20,975.85
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-20	04-19	25536062111102013426499	COSI - 678 WASHINGTON DC	274.88	
04-20	04-19	25536062111102013426705	COSI - 678 WASHINGTON DC	836.42	
04-20	04-18	55421352110897159377675	KELLARI TAVERNA WASHINGTON DC	1,526.60	
04-23	04-21	55541862113004071215072	RENAISSANCE9673W WASHC WASHINGTON DC	3,940.60	
04-27	04-26	000005568	ARRIVAL: 04-20-12		
05-02	05-02	000005568	ENVIRONMENT & ENERGY P 02026286500 DC	7,175.00	
05-03	05-01	000005568	AT KINSON-BAKER INC 08185517310 CA	2,270.55	
05-10	05-09	000005568	ABC IMAGING WASHINGTON DC	29.70	
05-15	05-14	000005568	FASTMARKETS LTD WILTSHIRE GBR	1,111.00	
05-15	05-14	000005568	*FINANCE CHARGE* CASH ADVANCE FEE	5.10	
05-15	05-14	000005568	CASH ADVANCE FROM -	300.00	
05-16	05-14	25250052136136112521101	METROPOLITAN WOMEN001128 -ST. PAUL -MN	3,499.65	
05-16	05-15	0000000004600005024000	*FINANCE CHARGE* CASH ADVANCE FEE	0.07	
05-16	05-15	0000000004600005024000	CASH ADVANCE FROM -	4.28	
			EQUIFAX 001127 -ST. PAUL -MN		
Department: 05007 Total:				\$20,975.85	
Division: 00004 Total:				\$20,975.85	
ANDRIETTA MINTER		CREDITS \$2,790.00	PURCHASES \$63,829.07	CASH ADV \$50.00	TOTAL ACTIVITY \$67,089.07
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-23	04-20	000000000000000000000000	OPM-EMDC 304-870-8073 WV	3,500.00	
04-23	04-20	000000000000000000000000	GSA 816-926-5335 MO	550.00	
04-23	04-20	000000000000000000000000	WORK & FAMILY LIFE NEW YORK NY	330.00	
04-23	04-20	000000000000000000000000	FOUNDATION ACCOUNTING NEW YORK NY	385.00	
04-23	04-20	000000000000000000000000	ASSOCIATION OF GOVERNMENT 703-6846931 VA	950.00	
04-23	04-20	000000000000000000000000	ASSOCIATION OF GOVERNMENT 703-6846931 VA	950.00	
04-23	04-19	000000000000000000000000	AGA-DC CHAPTER 202-228-0689 VA	500.00	
04-24	04-23	000000000000000000000000	NARA NWML TRAINING 817-551-2004 MD	600.00	
04-24	04-23	000000000000000000000000	THE ESCAL INSTITUTE 03016547267 MD	3,895.00	
04-25	04-24	000000000000000000000000	KEN BLANCHARD COMPANIE 07804895005 CA	2,998.80	
04-25	04-24	000000000000000000000000	UCHICAGO GRAHAM SCH CHICAGO IL	575.00	
04-25	04-23	000000000000000000000000	AGA-DC CHAPTER 202-228-0689 VA	625.00	
04-26	04-24	000000000000000000000000	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
04-26	04-25	000000000000000000000000	COHASSET ASSOC MER CON 03125271551 IL	1,795.00	
04-26	04-25	000000000000000000000000	ISDA 212-901-6000 NY	1,937.50	
04-26	04-25	000000000000000000000000	ISDA 212-901-6000 NY	1,937.50	
04-26	04-26	000000000000000000000000	HUMANSSCALE CORPORATION 07325372944 NJ	375.00	
04-26	04-25	000000000000000000000000	AMERICAN LAW INSTITUTE 08002536397 PA	199.00	
05-01	04-30	000000000000000000000000	BARUCH COLLEGE NEW YORK NY	120.00	
05-01	05-01	000000000000000000000000	GRADUATE SCHOOL REG 08887444723 DC	2,500.00	
05-01	05-01	000000000000000000000000	FEDERAL BUSINESS COUNCIL 03012062940 MD	512.00	
05-02	04-30	000000000000000000000000	INTEROP 801-6170403 CA	1,995.00	
05-02	05-01	000000000000000000000000	THE ESCAL INSTITUTE 03016547267 MD	3,895.00	
05-02	05-01	000000000000000000000000	ASSOCIATION OF GOVERNMENT 703-6846931 VA	725.00	
05-03	05-03	000000000000000000000000	EMC GLOBAL EVENTS 05082496499 MA	1,995.00 CR	
05-03	05-03	000000000000000000000000	DC BAR 02027374700 DC	189.00	
05-04	05-02	000000000000000000000000	INTEROP 801-6170403 CA	2,306.50	
05-07	05-03	000000000000000000000000	US OPM 33951 304-870-8073 WV	3,750.00	
05-07	05-04	000000000000000000000000	INTEROP 801-6170403 CA	311.50	



Company Name: CFTC
Corporate Account Number: [REDACTED]
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NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-07	05-03		LEARNING TREE INTERNAT RESTON VA	2,573.00
05-07	05-04		SAS INSTITUTE INC 919-5315401 NC	1,620.00
05-07	05-04		SAS INSTITUTE INC 919-5315401 NC	1,620.00
05-08	05-08		DC BAR 0207374700 DC	159.00
05-08	05-08		DC BAR 0207374700 DC	159.00
05-08	05-07		BLACKS IN GOVERNMENT WASHINGTON DC	850.00
05-11	05-10		AMERICAN ASSOC LAW LIB 312 205-8012 IL	520.00
05-11	05-11		GRADUATE SCHOOL REG 08887444723 DC	11,395.00
05-15	05-14		*FINANCE CHARGE* CASH ADVANCE FEE	0.85
05-15	05-14		CASH ADVANCE FROM	50.00
05-16	05-15		ANDRIETTA MINIER 001060 -ST. PAUL -MN	950.00
05-17	05-16		ASSOCIATION OF GOVERN 703-6846931 VA	295.00
05-17	05-16		SIFMA - CONF/PUBS NEW YORK NY	595.00
05-17	05-17		SIFMA - CONF/PUBS NEW YORK NY	15.00
05-18	05-18		DC BAR 0207374700 DC	15.00
05-18	05-18		GRADUATE SCHOOL REG 08887444723 DC	795.00CR
05-18	05-17		THEREGGROUP 2024663205 VA	455.00
05-18	05-17		THEREGGROUP 2024663205 VA	455.00
05-18	05-17		THEREGGROUP 2024663205 VA	455.00
05-18	05-17		THEREGGROUP 2024663205 VA	455.00
05-18	05-17		THEIA.ORG(407)9371165 04079371165 FL	572.92
CYNTHIA WATSON		CREDITS	PURCHASES	CASH ADV
		\$811.99	\$62,083.40	\$0.00
				TOTAL ACTIVITY
				\$61,271.41
Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-20	04-19		TWC*TIME WARNER NYC 718-358-0900 NY	295.89
04-20	04-19		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	45.48
04-20	04-19		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	65.58
04-23	04-20		NEWARK US 00000075 CHICAGO IL	796.59
04-23	04-19		TIME WARNER CABLE 818-3588833 MO	253.35
04-23	04-20		AMAZON.COM AMZN.COM/BILL WA	78.88
04-23	04-21		DTV*DIRECTV SERVICE 800-347-3788 CA	234.99
04-23	04-20		A&T NETWORKS COLUMBIA MD	4,421.34
04-23	04-20		ESVA 05713234918 VA	9,150.23
04-24	04-23		ATT*BUS PHONE PMT 800-660-3000 TX	41.74
04-25	04-23		OFFICE DEPOT #5910 800-463-3768 PA	414.75CR
04-25	04-24		GSA/FAS 703-605-5635 VA	18.98
04-25	04-24		WWW.NEWECC.COM 800-390-1119 CA	51.22
04-26	04-26		CDW GOVERNMENT 800-750-4239 IL	1,567.67
04-26	04-25		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	14.48
04-26	04-25		A&T NETWORKS COLUMBIA MD	137.25
04-27	04-27		CDW GOVERNMENT 800-750-4239 IL	92.64
04-27	04-26		OFFICE DEPOT #5910 800-463-3768 PA	41.36
04-27	04-26		OFFICE DEPOT #5910 800-463-3768 PA	69.07
04-27	04-25		ENTRUST INC. 186-6267929 TX	504.92
04-27	04-26		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	72.11
04-27	04-26		NORTH AMERICAN COMMUNI 08004311333 MN	120.04
05-01	04-30		FIBERLINK COMMUNICATIO BLUE BELL PA	2,362.48
05-01	04-30		AMAZON.COM AMZN.COM/BILL WA	862.50
05-01	04-29		GRASSHOPPER.COM*CHARGE NEEDHAM MA	59.30
05-02	05-01		APL*APPLE ITUNES STORE 866-712-7753 CA	397.24
05-02	05-01		APL*APPLE ITUNES STORE 866-712-7753 CA	264.74
05-02	05-01		APL*APPLE ITUNES STORE 866-712-7753 CA	397.24
05-02	05-01		APL*APPLE ITUNES STORE 866-712-7753 CA	264.74
05-02	05-01		APL*APPLE ITUNES STORE 866-712-7753 CA	264.74
05-02	05-01		ATTM *287240832047 08003310500 GA	133.93
05-02	05-01		CARAHSOFT TECHNOLOGY C 703-8718500 VA	10,569.57
05-03	05-01		AUTOPAY/DISH NTRK 800-894-9131 CO	146.99



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 05-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-04	05-03	85185642116980027502989	STANLEY VIDMAR STRG TE 06107976600 PA	2,558.54
05-07	05-05	85185642116980027502989	APL*APPLE ITUNES STORE 866-712-7753 CA	397.24 CR
05-07	05-04	85185642116980027502989	APL*APPLE ITUNES STORE 866-712-7753 CA	26.24
05-07	05-05	85185642116980027502989	COMCAST OF WASHINGTON 800-COMCAST DC	106.95
05-09	05-07	85185642116980027502989	VERIZON WRLS MYACCT VE FOLSOM CA	430.10
05-10	05-09	85185642116980027502989	UNISTAR-SPARCO COMPUTE 801-8722272 TN	1,345.45
05-10	05-09	85185642116980027502989	WWW.NEWEGG.COM 800-390-1119 CA	279.93
05-10	05-09	85185642116980027502989	CABLES TO GO 08002872843 OH	360.75
05-10	05-09	85185642116980027502989	CAPRICE ELECTRONICS 07182220436 NY	184.14
05-10	05-09	85185642116980027502989	QUALITY LASER SERV BUFLALO NY	717.00
05-11	05-09	85185642116980027502989	CARTRIDGE SAVERS INC 608-2277283 WI	3,506.00
05-14	05-14	85185642116980027502989	DMI* DELL FEDERAL 800-727-1100 TX	3,388.52
05-14	05-11	85185642116980027502989	AUTOPAY/DISH NTWK 800-894-9131 CO	118.99
05-16	05-14	85185642116980027502989	ACCESS PRODUCTS INC IM COLORADO SPRI CO	2,201.04
05-17	05-16	85185642116980027502989	AMAZON.COM AMZN.COM/BILL WA	59.77
05-18	05-16	85185642116980027502989	MICRO CENTER SAINT DAV 800-634-3478 PA	715.12
05-18	05-16	85185642116980027502989	MICRO CENTER BETHEL RD 800-634-3478 OH	612.96
05-18	05-17	85185642116980027502989	OFFICE DEPOT #5910 800-463-3768 PA	138.60
05-18	05-17	85185642116980027502989	OFFICE DEPOT #5910 800-463-3768 PA	79.96
05-18	05-16	85185642116980027502989	AXISCORE LLC EKENEU@AXISCO MD	11,457.06
Department: 05009 Total:				\$122,360.46
BEVERLY BROWN				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$5,758.42	\$0.00
				TOTAL ACTIVITY
				\$5,758.42
Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-26	04-25	85185642116980027502989	DREAM RANCH OFFICE KRUM TX	289.80
04-27	04-26	05436842118000132645513	OFFICEMAX CT*IN#540750 877-969-6629 IL	1,649.70
04-27	04-25	85309612117980013538511	FLOYD OFFICE SOLUTI MARIETTA GA	1,038.52
04-30	04-27	05410182119105115487319	STAPLES 00115329 WASHINGTON DC	76.80
04-30	04-27	25241802119000729292703	ACCESS PRODUCTS INC IM COLORADO SPRI CO	2,129.80
04-30	04-26	8518993211898002330017	THE OFFICE PAL HOWELL NJ	1,483.80
Department: 05010 Total:				\$5,758.42
Division: 00005 Total:				\$128,118.90
DANIEL MAY				
		CREDITS	PURCHASES	CASH ADV
		\$177.00	\$3,416.37	\$0.00
				TOTAL ACTIVITY
				\$3,239.37
Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-20	04-19	85185642116980027502989	REI*MATTHEW BENDER &CO 800-833-9844 NY	273.00
04-24	04-23	85185642116980027502989	D J*WSJ.COM/BARRON.COM 800-568-7625 MA	74.95
04-24	04-24	85185642116980027502989	AMAZON.COM AMZN.COM/BILL WA	490.57
04-25	04-25	85185642116980027502989	AMAZON.COM AMZN.COM/BILL WA	18.97
04-26	04-26	85185642116980027502989	AMAZON.COM AMZN.COM/BILL WA	191.88
04-30	04-26	85185642116980027502989	CONGRESSIONAL QUARTERL 202-650-6500 DC	177.00 CR
05-03	05-02	85185642116980027502989	U CHICAGO PRESS EPU 773-702-7036 IL	70.00
05-07	05-05	85185642116980027502989	AGRESOURCEC 3124080045 IL	65.00
05-07	05-04	85185642116980027502989	ADI*ASPEN PUBLISHERS 800-234-1660 MD	187.00
05-07	05-04	85185642116980027502989	AMAZON.COM AMZN.COM/BILL WA	119.19
05-07	05-05	85185642116980027502989	AMAZON.COM AMZN.COM/BILL WA	139.80





INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000013 3 SP 106481652580499 S

CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 06-19-2012  
AMOUNT DUE \$1,283.17  
NEW BALANCE \$1,283.17  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$

Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	Checks + Credits	Check + Fee	Current Activity	Payments	Account Balance	
[REDACTED]									
Company Total	\$16,926.99	\$244,113.49	\$0.00	\$16,180.64	\$275.10	\$1,671.62	\$258,897.61	\$274,541.43	\$1,283.17

Default Accounting Code:

CUSTOMER SERVICE CALL			ACCOUNT NUMBER		ACCOUNT SUMMARY	
888-994-6722			[REDACTED]		PREVIOUS BALANCE	16,926.99
					PURCHASES & OTHER CHARGES	244,113.49
			STATEMENT DATE 06/19/12		SELF ASSESSED INTEREST PENALTY	.00
					CHECKS	16,180.64
SEND BILLING INQUIRIES TO: U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335			AMOUNT DUE 1,283.17		CHECK FEE	275.10
					CREDITS	1,671.62
					CURRENT BILLING ACTIVITY	258,897.61
					PAYMENTS	274,541.43
					ACCOUNT BALANCE	1,283.17



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 06-19-2012

CORPORATE ACCOUNT ACTIVITY					
CFTC [REDACTED]		TOTAL CORPORATE ACTIVITY \$274,541.43 CR			
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-21	05-21	7556963214214211111187	WIRE PAYMENT	16,926.99	PY
05-22	05-22	7556963214314311111127	WIRE PAYMENT	9,699.20	PY
05-23	05-23	7556963214414411111124	WIRE PAYMENT	7,523.78	PY
05-24	05-24	7556963214514511111153	WIRE PAYMENT	16,630.75	PY
05-25	05-25	7556963214614611111127	WIRE PMT	37,651.36	PY
05-29	05-29	7556963215015011111155	WIRE PAYMENT	31,607.85	PY
05-29	05-29	7556963215015011111163	WIRE PAYMENT	8,795.36	PY
05-31	05-31	7556963215215211111126	WIRE PAYMENT	2,563.40	PY
06-01	06-01	7556963215315311111123	WIRE PAYMENT	10,357.40	PY
06-04	06-04	7556963215615611111131	WIRE PAYMENT	3,266.25	PY
06-05	06-05	7556963215715711111138	WIRE PAYMENT	12,054.66	PY
06-06	06-06	7556963215815811111184	WIRE PAYMENT	2,400.92	PY
06-07	06-07	7556963215915911111124	WIRE PAYMENT	6,526.01	PY
06-08	06-08	7556963216016011111152	WIRE PAYMENT	6,058.45	PY
06-11	06-11	7556963216316311111120	WIRE PAYMENT	10,557.43	PY
06-12	06-12	7556963216416411111150	WIRE PAYMENT	13,968.87	PY
06-13	06-13	7556963216516511111123	WIRE PAYMENT	16,593.01	PY
06-14	06-14	7556963216616611111120	WIRE PAYMENT	23,221.89	PY
06-15	06-15	7556963216716711111127	WIRE PAYMENT	19,733.78	PY
06-18	06-18	75569632170170111111217	WIRE PAYMENT	5,258.80	PY
06-19	06-19	75569632171717111111321	WIRE PAYMENT	12,445.27	PY

NEW ACTIVITY					
KATHRYN M. RISON [REDACTED]		CREDITS \$0.00	PURCHASES \$2,368.25	CASH ADV \$0.00	TOTAL ACTIVITY \$2,368.25
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-25	05-23	85504992145900015824425	ANDERSON COURT REPORT 703-5197180 VA	601.43	
06-14	06-12	85504992165900016570337	ANDERSON COURT REPORT 703-5197180 VA	1,765.82	
Department: 00000 Total:				\$2,368.25	
Division: 00000 Total:				\$2,368.25	
MONICA GREEN [REDACTED]		CREDITS \$0.00	PURCHASES \$5,360.52	CASH ADV \$971.70	TOTAL ACTIVITY \$6,332.22
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-30	05-29	[REDACTED]	PAYPAL *DIRECTPROCE 4029357733 CA	130.00	
05-30	05-30	[REDACTED]	PAYPAL *DIRECTPROCE 402-935-7733 CA	205.00	
05-30	05-30	[REDACTED]	PAYPAL *DIRECTPROCE 402-935-7733 CA	30.00	
05-30	05-29	[REDACTED]	BEHMKE REPORTING AND V 415-5975600 CA	1,118.98	
05-30	05-29	[REDACTED]	BEHMKE REPORTING AND V 415-5975600 CA	1,196.22	
05-30	05-29	[REDACTED]	HAHN & BOWERSOCK COSTA MESA CA	625.90	
05-31	05-29	[REDACTED]	TRI COUNTY COURT REPOR SANTA BARBARA CA	472.90	
05-31	05-29	[REDACTED]	ALLIANCE REPORTING SER MINEOLA NY	1,565.00	
06-01	05-31	[REDACTED]	*FINANCE CHARGE* CASH ADVANCE FEE	1.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 06-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-01	05-31	0000000004600008021000	CASH ADVANCE FROM -	59.00	
06-07	06-06	0000000004600004006000	MOWER SERVICES 001117 -ST. PAUL -MN		
06-07	06-06	0000000004600004006000	*FINANCE CHARGE* CASH ADVANCE FEE	9.09	
06-08	06-07	0000000004600008023000	CASH ADVANCE FROM -	534.75	
06-08	06-07	0000000004600008023000	WELLS FARGO 001123 -ST. PAUL -MN		
06-08	06-07	0000000004600008023000	*FINANCE CHARGE* CASH ADVANCE FEE	2.55	
06-14	05-13	0000000004600015006000	CASH ADVANCE FROM -	150.00	
06-14	05-13	0000000004600015006000	STERLING MADISON C001124 -ST. PAUL -MN		
06-14	05-13	0000000004600015006000	*FINANCE CHARGE* CASH ADVANCE FEE	3.88	
06-14	05-13	0000000004600015006000	CASH ADVANCE FROM -	227.95	
06-14	05-13	0000000004600015006000	FRED E WARNER 001122 -ST. PAUL -MN		
MELISSA STROM			CREDITS	PURCHASES	CASH ADV
			\$0.00	\$11,708.65	\$9,377.87
					TOTAL ACTIVITY
					\$21,086.52
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-21	05-18	0000000004600008028000	*FINANCE CHARGE* CASH ADVANCE FEE	2.64	
05-21	05-18	0000000004600008028000	CASH ADVANCE FROM -	155.00	
05-22	05-21	0000000004600004001000	PRONTO PROCESS 001294 -ST. PAUL -MN		
05-22	05-21	0000000004600004001000	*FINANCE CHARGE* CASH ADVANCE FEE	0.68	
05-22	05-21	0000000004600004001000	CASH ADVANCE FROM -	40.00	
05-24	05-22	85504992144900015769738	ACCURATE SUPPORT R001302 -ST. PAUL -MN		
05-24	05-22	85504992144900015769738	ANDERSON COURT REPORT 703-5197180 -MN	785.29	
05-24	05-22	85504992144900015769738	ANDERSON COURT REPORT 703-5197180 VA	1,522.21	
05-24	05-23	0000000004600003018000	*FINANCE CHARGE* CASH ADVANCE FEE	0.58	
05-24	05-23	0000000004600003018000	CASH ADVANCE FROM -	34.22	
05-25	05-24	0000000004600004002000	BANK OF AMERICA 001301 -ST. PAUL -MN		
05-25	05-24	0000000004600004002000	*FINANCE CHARGE* CASH ADVANCE FEE	14.61	
05-25	05-24	0000000004600004002000	CASH ADVANCE FROM -	859.30	
05-25	05-24	0000000004600004003000	SUSAN SOBLE ASSOC 001295 -ST. PAUL -MN		
05-25	05-24	0000000004600004003000	*FINANCE CHARGE* CASH ADVANCE FEE	17.46	
05-25	05-24	0000000004600004003000	CASH ADVANCE FROM -	1,026.90	
05-25	05-24	0000000004600004004000	SUSAN SOBLE ASSOC 001298 -ST. PAUL -MN		
05-25	05-24	0000000004600004004000	*FINANCE CHARGE* CASH ADVANCE FEE	9.83	
05-25	05-24	0000000004600004004000	CASH ADVANCE FROM -	576.50	
05-25	05-24	0000000004600004005000	SUSAN SOBLE ASSOC 001300 -ST. PAUL -MN		
05-25	05-24	0000000004600004005000	*FINANCE CHARGE* CASH ADVANCE FEE	2.13	
05-25	05-24	0000000004600004005000	CASH ADVANCE FROM -	125.00	
05-25	05-24	0000000004600004006000	SUSAN SOBLE ASSOC 001289 -ST. PAUL -MN		
05-25	05-24	0000000004600004006000	*FINANCE CHARGE* CASH ADVANCE FEE	8.55	
05-25	05-24	0000000004600004006000	CASH ADVANCE FROM -	502.90	
05-25	05-24	0000000004600004007000	SUSAN SOBLE ASSOC 001299 -ST. PAUL -MN		
05-25	05-24	0000000004600004007000	*FINANCE CHARGE* CASH ADVANCE FEE	12.77	
05-25	05-24	0000000004600004007000	CASH ADVANCE FROM -	751.30	
05-25	05-24	0000000004600004008000	SUSAN SOBLE ASSOC 001297 -ST. PAUL -MN		
05-25	05-24	0000000004600004008000	*FINANCE CHARGE* CASH ADVANCE FEE	8.37	
05-25	05-24	0000000004600004008000	CASH ADVANCE FROM -	492.10	
05-28	05-25	0000000004600004009000	SUSAN SOBLE ASSOC 001296 -ST. PAUL -MN		
05-28	05-25	0000000004600004009000	VERITEXT HOLDING CORP FLORHAM PARK NJ	634.30	
05-28	05-25	0000000004600004009000	ZACCO & ASSOCIATES REP ORLANDO FL	1,473.00	
05-28	05-25	0000000004600004009000	ZACCO & ASSOCIATES REP ORLANDO FL	584.96	
05-28	05-25	0000000004600004009000	ZACCO & ASSOCIATES REP ORLANDO FL	972.08	
05-28	05-25	0000000004600004009000	ALLIANCE REPORTING SER MINEOLA NY	195.00	
05-28	05-25	0000000004600004009000	ALLIANCE REPORTING SER MINEOLA NY	876.25	
05-28	05-25	0000000004600004009000	E Z MESSENGER TUCSON AZ	41.00	
05-28	05-25	0000000004600004009000	E Z MESSENGER TUCSON AZ	77.20	
06-04	06-01	0000000004600004009000	IVIZE SERVICES, INC. 704-377-2050 NC	1,205.76	
06-08	06-07	0000000004600004009000	*FINANCE CHARGE* CASH ADVANCE FEE	0.77	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 06-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-08	06-07	000000000460007004000	CASH ADVANCE FROM -	45.00	
06-08	06-07	00000000004600007005000	SERVICE OF PROCESS001316 -ST. PAUL -MN		
06-08	06-07	00000000004600007005000	*FINANCE CHARGE* CASH ADVANCE FEE	0.77	
06-08	06-07	00000000004600007006000	CASH ADVANCE FROM -	45.00	
06-08	06-07	00000000004600007006000	SERVICE OF PROCESS001315 -ST. PAUL -MN		
06-08	06-07	00000000004600007006000	*FINANCE CHARGE* CASH ADVANCE FEE	1.53	
06-08	06-07	00000000004600007006000	CASH ADVANCE FROM -	90.00	
06-08	06-07	00000000004600007008000	SERVICE OF PROCESS001317 -ST. PAUL -MN		
06-08	06-07	00000000004600007008000	*FINANCE CHARGE* CASH ADVANCE FEE	22.66	
06-08	06-07	00000000004600007008000	CASH ADVANCE FROM -	1,332.91	
06-08	06-07	00000000004600007009000	HERITAGE REPORTING001305 -ST. PAUL -MN		
06-08	06-07	00000000004600007009000	*FINANCE CHARGE* CASH ADVANCE FEE	30.29	
06-08	06-07	00000000004600007009000	CASH ADVANCE FROM -	1,782.04	
06-11	06-08	00000000004600007010000	HERITAGE REPORTING001304 -ST. PAUL -MN		
06-11	06-08	00000000004600007010000	NATIONAL DEPO FLORHAM PARK NJ	150.00	
06-11	06-08	00000000004600007010000	VERITEXT HOLDING CORP FLORHAM PARK NJ	956.35	
06-11	06-08	00000000004600007010000	REAL-TIME REPORTERS 03125789323 IL	779.75	
06-11	06-08	00000000004600007010000	REAL-TIME REPORTERS 03125789323 IL	583.25	
06-11	06-08	00000000004600007010000	D&R REPORTING & VIDEO 405-2354106 OK	573.07	
06-11	06-08	00000000004600007010000	RESPONSIVE DATA SOLUTI WASHINGTON DC	43.56	
06-11	06-08	00000000004600007010000	*FINANCE CHARGE* CASH ADVANCE FEE	8.93	
06-11	06-08	00000000004600007010000	CASH ADVANCE FROM -	525.00	
06-11	06-08	00000000004600007033000	ACCURATE LANGUAGE 001313 -ST. PAUL -MN		
06-11	06-08	00000000004600007033000	*FINANCE CHARGE* CASH ADVANCE FEE	8.93	
06-11	06-08	00000000004600007033000	CASH ADVANCE FROM -	525.00	
06-12	06-11	05410192163069600332841	ACCURATE LANGUAGE 001314 -ST. PAUL -MN		
06-12	06-11	00000000004600009014000	FEDEXOFFICE - 00040864 SAN FRANCISCO CA	96.17	
06-12	06-11	00000000004600009014000	*FINANCE CHARGE* CASH ADVANCE FEE	0.82	
06-12	06-11	00000000004600009014000	CASH ADVANCE FROM -	48.32	
06-12	06-11	00000000004600009015000	FREMONT COUNTY SHE001322 -ST. PAUL -MN		
06-12	06-11	00000000004600009015000	*FINANCE CHARGE* CASH ADVANCE FEE	0.17	
06-12	06-11	00000000004600009015000	CASH ADVANCE FROM -	10.00	
06-13	06-12	00000000004600007001000	FREMONT COUNTY SHE001323 -ST. PAUL -MN		
06-13	06-12	00000000004600007001000	*FINANCE CHARGE* CASH ADVANCE FEE	2.36	
06-13	06-12	00000000004600007001000	CASH ADVANCE FROM -	138.50	
06-13	06-12	00000000004600007011000	ST LOUIS INVEST - 001321 -ST. PAUL -MN		
06-13	06-12	00000000004600007011000	*FINANCE CHARGE* CASH ADVANCE FEE	4.60	
06-13	06-12	00000000004600007011000	CASH ADVANCE FROM -	270.49	
			SOUTHERN DISTRICT 001318 -ST. PAUL -MN		
LEA-ANN BIGELOW					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$171.96	\$0.00	\$171.96
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-23	05-22	55546552143471583261173	INUMBR SACRAMENTO CA	99.99	
05-28	05-26	75418232147396735400692	SURVEYMONKEY.COM 971-2445555 CA	71.97	
Department: 05001 Total:					\$27,590.70
SCOTT WILLIAMSON					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$1.70	\$100.10	\$101.80



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 06-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
06-07	06-06	0000000004600007036000	*FINANCE CHARGE* CASH ADVANCE FEE	1.57
06-07	06-06	0000000004600007036000	CASH ADVANCE FROM -	92.60
			CITY NATIONAL BANK001038 - ST. PAUL - MN	
06-19	06-18	0000000004600007039000	*FINANCE CHARGE* CASH ADVANCE FEE	0.13
06-19	06-18	0000000004600007039000	CASH ADVANCE FROM -	7.50
			SECRETARY OF STATE001037 - ST. PAUL - MN	
Department: 05002 Total:				\$101.80
Division: 00001 Total:				\$27,692.50
JANIS KELLY				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$8,390.92	\$0.00
		TOTAL ACTIVITY		
		\$8,390.92		
Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-21	05-19	0501113474666414373113000	GOVERNMENT MOVERS INC HYATTSVILLE MD	850.34
05-22	05-21	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	380.12
05-22	05-21	0501113474666414373113000	STANDARD OFFICE SUPPLY 02028294820 DC	148.56
05-24	05-23	0501113474666414373113000	STANDARD OFFICE SUPPLY 02028294820 DC	64.99
05-31	05-30	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	385.14
05-31	05-30	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	146.31
05-31	05-30	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	178.35
05-31	05-30	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	23.34
06-04	06-01	0501113474666414373113000	OMNIFICS ALEXANDRIA VA	400.00
06-04	06-01	0501113474666414373113000	OMNIFICS ALEXANDRIA VA	195.00
06-05	06-04	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	72.80
06-05	06-04	0501113474666414373113000	STANDARD OFFICE SUPPLY 02028294820 DC	371.31
06-05	06-05	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	695.91
06-05	06-05	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	106.60
06-05	06-05	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	140.60
06-05	06-05	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	593.56
06-05	06-05	0501113474666414373113000	STANDARD OFFICE SUPPLY 02028294820 DC	485.50
06-11	06-08	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	724.98
06-11	06-08	0501113474666414373113000	STANDARD OFFICE SUPPLY 02028294820 DC	196.28
06-14	06-13	0501113474666414373113000	STANDARD OFFICE SUPPLY 02028294820 DC	214.16
06-18	06-15	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	744.38
06-18	06-15	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	56.40
06-18	06-15	0501113474666414373113000	OFFICE DEPOT #5910 800-463-3768 PA	1,212.29
LOU BERMAN				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$1,415.05	\$0.00
		TOTAL ACTIVITY		
		\$1,415.05		
Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-21	05-18	25536062140101045094205	BLK/ RAPID REFILL NEWINGTON VA	395.20
05-21	05-18	25536062140101045094205	BLK/ RAPID REFILL NEWINGTON VA	59.00
05-28	05-24	25247802146000671131432	2/90 SIGN SYSTEMS GRAND RAPIDS MI	457.60
06-04	06-01	55421352155158123029455	DISTRICT HARDWARE - TH WASHINGTON DC	5.29
06-13	06-12	55547502164124080010019	CARBON SOLUTIONS GROUP 08664991456 IL	497.96
LESTER HARDING				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$5,362.11	\$2,954.97
		TOTAL ACTIVITY		
		\$8,327.08		



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Corporate Account Number: [REDACTED]
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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-24	05-23	25536062145101038649184	BLK/ RAPID REFILL NEWINGTON VA	247.20	
05-24	05-23	0000000004600001007000	*FINANCE CHARGE* CASH ADVANCE FEE	50.40	
05-24	05-23	0000000004600001007000	CASH ADVANCE FROM -	2,964.97	
			MAYDAY 001001 - ST. PAUL -MN		
05-25	05-24	55547502145286302600560	IDENTITY STRONGHOLD 08006102770 FL	1,949.57	
06-06	06-05	55436872157171572838712	METRO TALK 703-3374637 VA	2,709.94	
06-19	06-18	55436872170731706881822	KASTLE SYSTEMS 703-5288800 VA	905.00	
DENISE HAMM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$600.95	\$0.00	\$600.95
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-28	05-24	55490402146261710930019	AVIO GALLERIES INC. LURAY VA	600.95	
NYREE THOMAS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$940.42	\$0.00	\$940.42
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-25	05-24	55547502146123241010036	CALDERON LOCKSMITH NEW YORK NY	78.50	
05-30	05-28	55447322150357936010029	SHRED IT USA NATL ACCT 09058292791 CA	112.00	
06-15	06-14	05436842167500028289243	OFFICE DEPOT #5910 800-463-3768 PA	749.92	
SARAH JAMBROSEK		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$258.11	\$5,801.50	\$0.00	\$5,543.39
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-21	05-17	08475881690 IL	ANSLEY BUSINESS MATERI 312-6664070 IL	946.78	
05-23	05-22	08475881690 IL	GARVEY'S OFFICE PRODUC 08475881690 IL	98.22 CR	
05-24	05-23	08475881690 IL	GARVEY'S OFFICE PRODUC 08475881690 IL	69.99 CR	
05-28	05-25	08475881690 IL	GARVEY'S OFFICE PRODUC 08475881690 IL	89.90 CR	
05-28	05-25	703-3522029 VA	CORPORATE OFFICE SOLUT 703-3522029 VA	754.90	
06-07	06-06	08475881690 IL	GARVEY'S OFFICE PRODUC 08475881690 IL	830.09	
06-08	06-07	08475881690 IL	GARVEY'S OFFICE PRODUC 08475881690 IL	2,074.50	
06-13	06-12	703-605-5635 VA	GSA/FAS 703-605-5635 VA	27.70	
06-13	06-12	08475881690 IL	GARVEY'S OFFICE PRODUC 08475881690 IL	309.99	
06-14	06-13	703-605-5635 VA	GSA/FAS 703-605-5635 VA	107.40	
06-14	06-13	703-605-5635 VA	GSA/FAS 703-605-5635 VA	289.80	
06-14	06-13	703-605-5635 VA	GSA/FAS 703-605-5635 VA	107.40	
06-14	06-13	703-605-5635 VA	GSA/FAS 703-605-5635 VA	15.84	
06-14	06-13	703-605-5635 VA	GSA/FAS 703-605-5635 VA	36.50	
06-14	06-13	703-605-5635 VA	GSA/FAS 703-605-5635 VA	44.25	
06-18	06-15	08475881690 IL	GARVEY'S OFFICE PRODUC 08475881690 IL	256.35	
THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$944.47	\$415.00	\$1,359.47



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-11	06-08	55536072160816001093708	HILL MECHANICAL SERVIC 8474515066 IL	412.70	
06-11	06-08	55536072160816001093757	HILL MECHANICAL SERVIC 8474515066 IL	489.29	
06-12	06-11	55541862164072017622519	DUNKIN #346989 Q35 CHICAGO IL	35.42	
06-14	06-13	0000000004600003017000	*FINANCE CHARGE* CASH ADVANCE FEE	7.06	
06-14	06-13	0000000004600003017000	CASH ADVANCE FROM -	415.00	
			BUSINESS OFFICE SY001062 -ST. PAUL -MN		
Department: 05004 Total:				\$26,577.28	
MARGIE VATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$2,111.85	\$0.00	\$2,111.85
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-08	06-07	55310202160207181800077	DEBONAIR CLEANERS & LA KENSINGTON MD	1,155.00	
06-18	06-15	85141192169900018713622	RIDGEWELL CATERERS BETHESDA MD	956.85	
CATHY WING/OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$1,219.70	\$0.00	\$1,219.70
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-22	05-21	05-22 05-21 05-22 05-21 05-22 05-21	OFFICE DEPOT #1090 800-463-3768 MA	305.06	
06-08	06-07	06-08 06-07 06-08 06-07 06-08 06-07	OFFICE DEPOT #1090 800-463-3768 MA	104.25	
06-08	06-07	06-08 06-07 06-08 06-07 06-08 06-07	SMARTSIGN 7187971900 NY	103.20	
06-18	06-15	06-18 06-15 06-18 06-15 06-18 06-15	OFFICE DEPOT #1090 800-463-3768 MA	201.06	
06-18	06-16	06-18 06-16 06-18 06-16 06-18 06-16	LOWES #01084* SHAWNEE KS	112.50	
06-18	06-17	06-18 06-17 06-18 06-17 06-18 06-17	LOWES #02588* ROLLAND PARK KS	112.50	
06-19	06-15	06-19 06-15 06-19 06-15 06-19 06-15	MICRO CENTER #191 RETA OVERLAND PARK KS	205.92	
06-19	06-18	06-19 06-18 06-19 06-18 06-19 06-18	AMAZON.COM AMZN.COM/BILL WA	75.21	
Department: 05006 Total:				\$3,331.55	
Division: 00003 Total:				\$29,908.83	
SONDA R OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$1.00	\$18,965.25	\$0.00	\$18,964.25
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-23	05-22	05-23 05-22 05-23 05-22 05-23 05-22	COURTCALL *#4948698 03103420888 CA	37.00	
05-31	05-30	05-31 05-30 05-31 05-30 05-31 05-30	REAL-TIME REPORTERS 03125789323 IL	374.50	
05-31	05-30	05-31 05-30 05-31 05-30 05-31 05-30	REAL-TIME REPORTERS 03125789323 IL	3,921.35	
05-31	05-30	05-31 05-30 05-31 05-30 05-31 05-30	REAL-TIME REPORTERS 03125789323 IL	2,238.00	
06-04	05-31	06-04 05-31 06-04 05-31 06-04 05-31	IAPP YORK ME	400.00	
06-06	06-06	06-06 06-06 06-06 06-06 06-06 06-06	APL *APPLEONLINESTOREUS 800-676-2775 CA	79.00	
06-06	06-06	06-06 06-06 06-06 06-06 06-06 06-06	APL *APPLEONLINESTOREUS 800-676-2775 CA	116.00	
06-07	06-06	06-07 06-06 06-07 06-06 06-07 06-06	RESOLUTION SERVICES LAWRENCE KS	1,463.00	
06-11	06-08	06-11 06-08 06-11 06-08 06-11 06-08	SOCIAL SCIENCE ELECTRO 585-4428170 NY	900.00	
06-14	06-12	06-14 06-12 06-14 06-12 06-14 06-12	BARCLAYHEDGE LTD FAIRFIELD IA	6,000.00	
06-15	06-13	06-15 06-13 06-15 06-13 06-15 06-13	ATKINSON-BAKER INC 08185517310 CA	1,832.55	



Company Name: CFTC
Corporate Account Number: [REDACTED]
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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-15	06-13	55480772167200292800034	ATKINSON-BAKER INC 08185517310 CA	1,604.85	
06-19	06-19	75589632171556860000008	ONE AMERICA MONROVIA CA	1.00	CR
Department: 05007 Total:				\$18,964.25	
Division: 00004 Total:				\$18,964.25	
ANDRIETTA MINTER		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$93,894.00	\$0.00	\$93,894.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-21	05-19	55480772167200292800034	NILOD 7047215644 NC	2,970.00	
05-21	05-19	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	45.00	
05-22	05-22	55480772167200292800034	GRADUATE SCHOOL REG 08887444723 DC	1,195.00	
05-23	05-21	55480772167200292800034	MANAGEMENT CONCEPTS TYSONS CORNER VA	12,951.00	
05-24	05-22	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
05-25	05-25	55480772167200292800034	EXECUTIVE INFORMATION 03015618594 MD	22,300.00	
05-25	05-24	55480772167200292800034	ASSOCIATION OF GOVERNMENT 703-6846931 VA	725.00	
05-28	05-25	55480772167200292800034	AMERICAN BAR ASSOCIATI 800-2852221 IL	229.00	
05-30	05-29	55480772167200292800034	ISDA 212-901-6000 NY	300.00	
05-31	05-30	55480772167200292800034	EEOC TRAINING INST 202-663-4837 DC	975.00	
05-31	05-30	55480772167200292800034	SIFMA - CONF/PUBS NEW YORK NY	395.00	
06-01	06-01	55480772167200292800034	TERRAPINN.COM 02129184709 NY	940.00	
06-01	06-01	55480772167200292800034	ACFE 05124789000 TX	1,795.00	
06-01	05-31	55480772167200292800034	AMERICAN BAR ASSOCIATI 800-2852221 IL	190.00	
06-04	06-02	55480772167200292800034	AWL NY INST OF FINANCE NEW YORK NY	1,575.00	
06-04	06-02	55480772167200292800034	GRADUATE SCHOOL REG 08887444723 DC	1,045.00	
06-04	06-01	55480772167200292800034	SAS INSTITUTE INC 919-5315401 NC	1,350.00	
06-04	06-02	55480772167200292800034	SAS INSTITUTE INC 919-5315401 NC	1,350.00	
06-06	06-04	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-06	06-04	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-07	06-05	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-07	06-05	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-07	06-05	55480772167200292800034	ACT/OPTIONSCITY SOFTWA 877-551-5560 CA	195.00	
06-07	06-05	55480772167200292800034	ACT/OPTIONSCITY SOFTWA 877-551-5560 CA	195.00	
06-07	06-05	55480772167200292800034	ACT/OPTIONSCITY SOFTWA 877-551-5560 CA	195.00	
06-08	06-06	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-08	06-06	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-08	06-06	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-08	06-06	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-08	06-06	55480772167200292800034	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
06-11	06-09	55480772167200292800034	THE INSTITUTE FOR FINA WASHINGTON DC DC	6,000.00	
06-12	06-11	55480772167200292800034	GRAPHICS PRESS TUFT 800-8222454 CT	380.00	
06-12	06-11	55480772167200292800034	GRAPHICS PRESS TUFT 800-8222454 CT	380.00	
06-12	06-11	55480772167200292800034	GRAPHICS PRESS TUFT 800-8222454 CT	380.00	
06-13	06-12	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	4,950.00	
06-13	06-12	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	4,275.00	
06-13	06-12	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	4,275.00	
06-13	06-12	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	7,875.00	
06-14	06-12	55480772167200292800034	MANAGEMENT CONCEPTS TYSONS CORNER VA	739.00	
06-14	06-13	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	4,950.00	
06-14	06-13	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	1,900.00	
06-14	06-13	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	225.00	
06-14	06-13	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	225.00	
06-14	06-13	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	225.00	
06-14	06-13	55480772167200292800034	FUTURES INDUSTRY ASSOC 202-4665460 DC	1,950.00	
06-18	06-16	55480772167200292800034	LYNDA.COM 08054773900 CA	375.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
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NEW ACTIVITY					
SHIVON KERSHAW		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$52.45	\$0.00	\$52.45
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06 19	06 18	75309562170404079327083	GCC*GIFT CERTIFICATE S C 800-7737368 NI.	52.45	
CYNTHIA WATSON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$57,461.36	\$1,351.00	\$58,812.36
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
05-21	05-19	050400042147150000000000000000	MICRO CENTER #161 800-634-3478 CA	612.96	
05-22	05-21	050400042147150000000000000000	DTV DIRECTV SERVICE 800-347-3288 CA	234.99	
05-23	05-22	050400042147150000000000000000	CROSS MATCH TECHNOLOGI PALM BEACH GA FL	1,857.15	
05-24	05-22	050400042147150000000000000000	DISCOUNT ELECTRONICS M AUSTIN TX	2,745.00	
05-24	05-23	050400042147150000000000000000	TELECOM TECHNOLOGIES I 06514566800 MN	5,421.00	
05-24	05-22	050400042147150000000000000000	ISM INC. ROCKVILLE MD	22,570.49	
05-25	05-24	050400042147150000000000000000	TWC*TIME WARNER NYC 718-358-0900 NY	295.89	
05-25	05-24	050400042147150000000000000000	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	31.99	
05-28	05-24	050400042147150000000000000000	TIME WARNER CABL 816-3588833 MO	253.35	
05-28	05-25	050400042147150000000000000000	THE MATHWORKS - CA Natick MA	609.00	
05-31	05-28	050400042147150000000000000000	GRASSHOPPER.COM/CHARGE NEEDHAM MA	59.30	
06-01	05-31	050400042147150000000000000000	ATT*CONS PHONE PMT 800-704-8324 TX	41.72	
06-04	06-02	050400042147150000000000000000	ADVANCED LAMPS 800-9415690 CT	908.54	
06-04	06-03	050400042147150000000000000000	MERITLINE.COM 08886686680 CA	38.97	
06-04	06-02	050400042147150000000000000000	EMV ONLINE ORDER 02627170043 WI	92.49	
06-04	06-31	050400042147150000000000000000	AUTOPAY/DISH NTWK 800-894-9131 CO	146.99	
06-04	06-01	050400042147150000000000000000	COMPREHENSIVE INC S HACKENSACK NJ	25.98	
06-04	06-01	050400042147150000000000000000	STATACORP LP COLLEGE STATI TX	2,580.00	
06-05	06-04	050400042147150000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	147.58	
06-05	06-05	050400042147150000000000000000	COMCAST OF WASHINGTON 800-COMCAST DC	106.95	
06-05	06-04	050400042147150000000000000000	STANLEY VIDMAR STRG TE 06107976600 PA	724.59	
06-05	06-04	050400042147150000000000000000	ATTM *287240832047 08003310500 GA	912.69	
06-06	06-05	050400042147150000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	220.00	
06-06	06-04	050400042147150000000000000000	ACCESS PRODUCTS INC IM COLORADO SPRI CO	133.04	
06-06	06-04	050400042147150000000000000000	MAGENTA RESEARCH 08602100564 CT	37.61	
06-07	06-05	050400042147150000000000000000	VERIZON WRLS MYACCT VE FOLSOM CA	430.10	
06-07	06-05	050400042147150000000000000000	MILLENNIUM SOLUTIONS CHAMBLEE GA	220.25	
06-08	06-07	050400042147150000000000000000	FINANCE CHARGE CASH ADVANCE FEE	22.97	
06-08	06-07	050400042147150000000000000000	CASH ADVANCE FROM	1,351.00	
06-11	06-07	050400042147150000000000000000	DITEM STRATEGIES 001108 -ST. PAUL -MN	399.01	
06-12	06-12	050400042147150000000000000000	ENTRUST INC. 186 62679297 TX	220.86	
06-12	06-11	050400042147150000000000000000	CDW GOVERNMENT 800-750-4239 IL	125.00	
06-12	06-11	050400042147150000000000000000	VSN*DOTGOVREGISTRATION 877-734-4688 VA	899.99	
06-12	06-11	050400042147150000000000000000	DEVELOPER EXPRESS INC 07022620609 CA	118.99	
06-12	06-10	050400042147150000000000000000	AUTOPAY/DISH NTWK 800-894-9131 CO	13,607.46	
06-12	06-11	050400042147150000000000000000	COMPUTECH INTERNATI GREAT NECK NY	214.30	
06-13	06-12	050400042147150000000000000000	COMPLETE PACKAGING & S 05145462100 NY	276.00	
06-15	06-15	050400042147150000000000000000	APL*APPLONLINESTOREUS 800-676-2775 CA	80.20	
06-18	06-18	050400042147150000000000000000	CDW GOVERNMENT 800-750-4239 IL	37.96	
06-19	06-18	050400042147150000000000000000	FRANKLINCOVEYPRODUCTS 800-819-1812 UT		
Department: 05009 Total:					\$152,758.81
BEVERLY BROWN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$5,463.14	\$0.00	\$5,463.14



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 06-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-21	05-18		PAYPAL *HPT EMAIL 402-935-7733 CA	550.00
05-22	05-21		CDW GOVERNMENT 800-750-4239 IL	19.37
05-23	05-22		SUPERMEDIASTORE.COM 6263631490 CA	999.80
05-23	05-22		LEN'S COMPUTER SUPP 08664433572 FL	999.00
05-25	05-24		SUPERMEDIASTORE.COM 6263631490 CA	999.80
06-08	06-07		THE OFFICE DESK 08453714657 NY	480.00
06-11	06-08		ALL CITI TONER 07183020971 NY	611.76
06-15	06-14		WWW.NEWEGG.COM 800-390-1119 CA	204.93
06-15	06-15		RHINO TECHNOLOGY GROUP 952-548-5700 MN	79.80
06-18	06-15		AUSTIN TELE-SERVICES P 05124373025 TX	518.68
Department: 05010 Total:				\$5,463.14
Division: 00005 Total:				\$158,221.95
DANIEL MAY		CREDITS	PURCHASES	CASH ADV
		\$1,412.51	\$21,294.95	\$1,000.00
				TOTAL ACTIVITY
				\$20,882.44
Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-21	05-18		THE INSTITUTE FOR FINA WASHINGTON DC DC	3,000.00
05-22	05-21		LEADERSHIP DIRECTORIES NEW YORK NY	5,200.00
05-23	05-23		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	267.62CR
05-24	05-23		SIFMA - CONF/PUBS NEW YORK NY	975.00
05-25	05-23		WORLD BANK BOOK STORE WASHINGTON DC	215.95
05-28	05-25		BLP*BLOOMBERG-BRIEF 800-635-1200 NY	1,064.70
05-30	05-30		BLP*BLOOMBERG-BRIEF 800-635-1200 NY	1,054.70CR
05-31	05-29		WORLD BANK BOOK STORE WASHINGTON DC	35.95
05-31	05-30		AMAZON.COM AMZN.COM/BILL WA	187.26
06-01	05-31		AMAZON.COM AMZN.COM/BILL WA	239.53
06-04	06-01		AMAZON.COM AMZN.COM/BILL WA	48.97
06-04	06-02		AMAZON.COM AMZN.COM/BILL WA	308.39
06-04	06-02		AMERICAN BAR ASSOCIATI 800-2852221 IL	240.80
06-05	06-04		AGRESOURCEC 3124080045 IL	65.00
06-06	06-05		A BOOK COMPANY 877-322-6787 KY	90.19
06-06	06-04		WILLIAM S HEIN & COMPA BUFFALO NY	919.07
06-07	06-06		*FINANCE CHARGE* CASH ADVANCE FEE	17.00
06-07	06-06		CASH ADVANCE FROM -	1,000.00
06-12	06-09		LIVESTOCK MARKETIN001059 -ST. PAUL -MN	
06-13	06-11		A BOOK COMPANY 877-322-6787 KY	90.19CR
06-13	06-11		STUDENTS BOOK COMPANY WASHINGTON DC	380.60
06-14	06-13		JWS-WILEY PUBLISHERS 800-758-9477 NJ	193.80
06-14	06-13		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	129.92
06-14	06-13		GT UNIV LAW LIBRARY WASHINGTON DC	40.00
06-14	06-13		GT UNIV LAW LIBRARY WASHINGTON DC	20.00
06-15	06-14		BURBNA BOOKS 800-960-1220 DC	239.00
06-18	06-14		SCUDDER PUBLISHING GRO CROWNSVILLE MD	6,500.00
06-18	06-15		AMAZON.COM AMZN.COM/BILL WA	64.83
06-18	06-15		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	78.99
06-18	06-14		DEWEY PUBLICATIONS INC 07035241355 VA	1,100.00
Department: 05013 Total:				\$20,882.44
Division: 00007 Total:				\$20,882.44
BELINDA PUGH		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$271.75	\$0.00
				TOTAL ACTIVITY
				\$271.75



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 06-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
06-15	06-14	55488722166200999300023	DEPOSITION SERVICES IN 03018813344 MD	271.75
Department: 06015 Total:				\$271.75
Division: 06008 Total:				\$271.75
JANIS KELLY M. HO [REDACTED]		CREDITS \$0.00	PURCHASES \$587.64	CASH ADV \$0.00
		TOTAL ACTIVITY \$587.64		
Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-21	05-18	5542135374110010022440	MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99
05-21	05-18	5542135374110010022440	MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99
05-21	05-18	5542135374110010022440	MR. WASH CAR WASH #6 ALEXANDRIA VA	80.30
05-23	06-22	5548880144370000000000	EXL PAPER INC. 8007140 WASHINGTON DC	52.65
06-04	06-01	5548880144370000000000	EXL PAPER INC. 8007140 WASHINGTON DC	46.24
06-04	05-31	5545388130000000000000	SHAWCO CORP WASH WASHINGTON DC	89.24
06-06	06-04	5545388130000000000000	MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99
06-08	06-07	5548880144370000000000	EXL PAPER INC. 8007140 WASHINGTON DC	47.00
06-08	06-06	5545388130000000000000	MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99
06-11	06-07	5548880144370000000000	SHAWCO CORP WASH WASHINGTON DC	81.01
06-18	06-14	5548880144370000000000	EXL PAPER INC. 8007140 WASHINGTON DC	37.33
06-18	06-15	5545388130000000000000	MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99
06-18	06-15	5548880144370000000000	SHAWCO CORP WASH WASHINGTON DC	71.92

Department: 05017 Total: \$587.64  
Division: 00010 Total: \$587.64



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000013 3 SP 106481697624504 S

CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 07-19-2012  
AMOUNT DUE \$5,679.17  
NEW BALANCE \$5,679.17  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED

\$

Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

## ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	Checks	Check + Fee	Credits	Current Activity	Payments	Account Balance
Company Total	\$1,283.17	\$240,372.50	\$0.00	\$14,937.95	\$253.96	\$756.09	\$254,808.32	\$250,412.32	\$5,679.17

Default Accounting Code:		
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER [REDACTED]	
	STATEMENT DATE 07/19/12	DISPUTED AMOUNT .00
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	AMOUNT DUE  5,679.17	
	ACCOUNT SUMMARY	
	PREVIOUS BALANCE	1,283.17
	PURCHASES & OTHER CHARGES	240,372.50
	SELF ASSESSED INTEREST PENALTY	.00
	CHECKS	14,937.95
	CHECK FEE	253.96
	CREDITS	756.09
	CURRENT BILLING ACTIVITY	254,808.32
	PAYMENTS	250,412.32
	ACCOUNT BALANCE	5,679.17



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 07-19-2012

CORPORATE ACCOUNT ACTIVITY					
CFTC [REDACTED]		TOTAL CORPORATE ACTIVITY \$250,412.32 CR			
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-20	06-20	7556963217217211111120	WIRE PAYMENT	1,283.17	PY
06-21	06-21	7556963217317311111127	WIRE PAYMENT	7,501.09	PY
06-22	06-22	7556963217417411111124	WIRE PMT - THANK YOU	19,041.06	PY
06-25	06-25	75569632177177111111488	WIRE PAYMENT	11,289.80	PY
06-27	06-27	7556963217917911111128	WIRE PAYMENT	31,915.35	PY
06-27	06-25	7556963217917911111151	WIRE PAYMENT	11,156.80	PY
06-28	06-28	75569632180180111111156	WIRE PAYMENT	2,038.63	PY
06-29	06-29	75569632181181111111120	WIRE PAYMENT	12,695.24	PY
07-02	07-02	75569632184184111111121	WIRE PAYMENT	19,222.38	PY
07-03	07-03	75569632185185111111127	WIRE PAYMENT	21,142.38	PY
07-05	07-05	75569632187187111111121	WIRE PAYMENT	2,962.69	PY
07-05	07-05	75569632187187111111139	WIRE PAYMENT	6,417.20	PY
07-06	07-06	75569632188188111111128	WIRE PAYMENT	55.00	PY
07-09	07-09	75569632191191111111127	WIRE PAYMENT	19,127.28	PY
07-10	07-10	75569632192192111111223	WIRE PAYMENT	11,397.15	PY
07-11	07-11	75569632193193111111121	WIRE PAYMENT	121.66	PY
07-12	07-12	75569632194194111111128	WIRE PAYMENT	7,295.32	PY
07-13	07-13	75569632195195111111181	WIRE PAYMENT	12,480.53	PY
07-16	07-16	75569632198198111111174	WIRE PAYMENT	26,232.87	PY
07-17	07-17	75569632199199111111122	WIRE PAYMENT	15,542.59	PY
07-18	07-18	75569632200200111111430	WIRE PAYMENT	2,063.87	PY
07-19	07-19	75569632201201111111130	WIRE PAYMENT	9,510.26	PY

NEW ACTIVITY					
KATHRYN M. BISON [REDACTED]		CREDITS \$0.00	PURCHASES \$6,639.97	CASH ADV \$0.00	TOTAL ACTIVITY \$6,639.97
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-29	06-27	85504992180900017334726	ANDERSON COURT REPORT 703-5197180 VA	198.63	
07-12	07-11	05436842194600101335710	GSA #16-926-5335 MO	3,106.59	
07-12	07-10	85504992193900017882950	ANDERSON COURT REPORT 703-5197180 VA	1,593.77	
07-18	07-17	55480772200200292100113	ATKINSON-BAKER INC 08185517310 CA	1,740.92	
Department: 00000 Total:				\$6,639.97	
Division: 00000 Total:				\$6,639.97	
MONICA GREEN [REDACTED]		CREDITS \$0.00	PURCHASES \$8,937.99	CASH ADV \$318.75	TOTAL ACTIVITY \$9,256.74
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-21	06-20	00000000004600015003000	*FINANCE CHARGE* CASH ADVANCE FEE	5.42	
06-21	06-20	00000000004600015003000	CASH ADVANCE FROM -	318.75	
06-28	06-27	55429502179849483463268	EDWARD REED 001121 -ST. PAUL -MN	290.00	
07-04	07-02	28411172185185065027701	PAYPAL *INFO 4029357733 CA	2,226.60	
07-09	07-06	55134422188800190280228	TEAM LEGAL 713-9374242 TX	149.78	
LORMIT MANAGEMENT SYST EDMONTON AB (FOREIGN CURRENCY) 151.25 CAD 07/09 (RATE) 1.0098					



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 07-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
07-16	07-13	[REDACTED]	VERITEXT HOLDING CORP FLORHAM PARK NJ	700.15
07-16	07-13	[REDACTED]	VERITEXT HOLDING CORP FLORHAM PARK NJ	640.00
07-16	07-13	[REDACTED]	METRO ATTORNEY SERV NEW YORK NY	495.00
07-16	07-13	[REDACTED]	ALLIANCE REPORTING SER MINEOLA NY	988.00
07-16	07-13	[REDACTED]	ALLIANCE REPORTING SER MINEOLA NY	1,173.59
07-16	07-13	[REDACTED]	ELISA DREIER REPORTING NEW YORK NY	981.95
07-16	07-13	[REDACTED]	ANDERSON COURT REPORT 703-5197180 VA	1,287.50
MELISSA STROM				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$14,114.19	\$11,883.20
		TOTAL ACTIVITY		
		\$25,797.39		
Post Date	Tran Date	Reference Number	Transaction Description	Amount
06-25	06-22	[REDACTED]	ESQUIRE DEPOSITION SOL 404-4437151 GA	1,618.80
06-25	06-22	[REDACTED]	ESQUIRE DEPOSITION SOL 404-4437151 GA	1,601.35
06-25	06-22	[REDACTED]	ESQUIRE DEPOSITION SOL 404-4437151 GA	1,697.85
06-25	06-22	[REDACTED]	GORE BROS RPRTING & VID 04108373027 MD	354.90
06-25	06-22	[REDACTED]	IT'S YOUR SERVE CHICAGO IL	95.00
06-25	06-22	[REDACTED]	FLORIDA COURT REPORTIN WEST PALM BEA FL	361.25
06-25	06-22	[REDACTED]	FLORIDA COURT REPORTIN WEST PALM BEA FL	907.91
06-26	06-25	[REDACTED]	JUST WRITE COURT REPOR VENTURA CA	314.25
06-27	06-26	[REDACTED]	*FINANCE CHARGE* CASH ADVANCE FEE	9.24
06-27	06-26	[REDACTED]	CASH ADVANCE FROM -	543.50
06-28	06-27	000000000046000140110000	MAGNA LEGAL SERVICE001319 -ST. PAUL -MN	
06-28	06-27	000000000046000140110000	*FINANCE CHARGE* CASH ADVANCE FEE	3.88
06-28	06-27	000000000046000140110000	CASH ADVANCE FROM -	228.50
06-28	06-27	000000000046000150030000	HSBC BANK USA 001320 -ST. PAUL -MN	
06-28	06-27	000000000046000150030000	*FINANCE CHARGE* CASH ADVANCE FEE	8.00
06-28	06-27	000000000046000150030000	CASH ADVANCE FROM -	470.50
06-28	06-27	000000000046000150040000	SUSAN SOBLE ASSOCI001306 -ST. PAUL -MN	
06-28	06-27	000000000046000150040000	*FINANCE CHARGE* CASH ADVANCE FEE	7.17
06-28	06-27	000000000046000150040000	CASH ADVANCE FROM -	421.90
06-28	06-27	000000000046000150050000	SUSAN SOBLE ASSOCI001308 -ST. PAUL -MN	
06-28	06-27	000000000046000150050000	*FINANCE CHARGE* CASH ADVANCE FEE	7.63
06-28	06-27	000000000046000150050000	CASH ADVANCE FROM -	448.90
06-28	06-27	000000000046000150060000	SUSAN SOBLE ASSOCI001307 -ST. PAUL -MN	
06-28	06-27	000000000046000150060000	*FINANCE CHARGE* CASH ADVANCE FEE	11.49
06-28	06-27	000000000046000150060000	CASH ADVANCE FROM -	675.70
06-28	06-27	000000000046000150070000	SUSAN SOBLE ASSOCI001309 -ST. PAUL -MN	
06-28	06-27	000000000046000150070000	*FINANCE CHARGE* CASH ADVANCE FEE	14.84
06-28	06-27	000000000046000150070000	CASH ADVANCE FROM -	872.85
06-28	06-27	000000000046000150080000	SUSAN SOBLE ASSOCI001310 -ST. PAUL -MN	
06-28	06-27	000000000046000150080000	*FINANCE CHARGE* CASH ADVANCE FEE	10.11
06-28	06-27	000000000046000150080000	CASH ADVANCE FROM -	594.70
06-28	06-27	000000000046000150090000	SUSAN SOBLE ASSOCI001324 -ST. PAUL -MN	
06-28	06-27	000000000046000150090000	*FINANCE CHARGE* CASH ADVANCE FEE	14.62
06-28	06-27	000000000046000150090000	CASH ADVANCE FROM -	860.20
06-28	06-27	000000000046000150100000	SUSAN SOBLE ASSOCI001311 -ST. PAUL -MN	
06-28	06-27	000000000046000150100000	*FINANCE CHARGE* CASH ADVANCE FEE	11.76
06-28	06-27	000000000046000150100000	CASH ADVANCE FROM -	692.00
06-28	06-27	000000000046000150110000	SUSAN SOBLE ASSOCI001312 -ST. PAUL -MN	
06-28	06-27	000000000046000150110000	*FINANCE CHARGE* CASH ADVANCE FEE	960.25
06-28	06-27	000000000046000150110000	CASH ADVANCE FROM -	1,781.08
07-09	07-06	[REDACTED]	ALLIANCE REPORTING SER MINEOLA NY	1,293.54
07-09	07-06	[REDACTED]	ALDERSON REPORTING WASHINGTON DC	960.34
07-11	07-10	[REDACTED]	ALDERSON REPORTING WASHINGTON DC	15.07
07-11	07-10	[REDACTED]	*FINANCE CHARGE* CASH ADVANCE FEE	886.50
07-11	07-10	[REDACTED]	CASH ADVANCE FROM -	
07-11	07-10	000000000046000040350000	SUSAN SOBLE ASSOCI001325 -ST. PAUL -MN	
07-11	07-10	000000000046000040350000	*FINANCE CHARGE* CASH ADVANCE FEE	6.16



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 07-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-11	07-10	0000000004600004035000	CASH ADVANCE FROM -	362.50	
07-11	07-10	0000000004600004036000	SUSAN SOBLE ASSOC 001326 -ST. PAUL -MN		
07-11	07-10	0000000004600004036000	*FINANCE CHARGE* CASH ADVANCE FEE	8.46	
07-11	07-10	0000000004600004036000	CASH ADVANCE FROM -	497.50	
07-11	07-10	0000000004600008012000	SUSAN SOBLE ASSOC 001327 -ST. PAUL -MN		
07-11	07-10	0000000004600008012000	*FINANCE CHARGE* CASH ADVANCE FEE	5.97	
07-11	07-10	0000000004600008012000	CASH ADVANCE FROM -	351.10	
07-11	07-10	0000000004600008013000	CURTIS & CURTIS C0001334 -ST. PAUL -MN		
07-11	07-10	0000000004600008013000	*FINANCE CHARGE* CASH ADVANCE FEE	2.65	
07-11	07-10	0000000004600008013000	CASH ADVANCE FROM -	158.00	
07-11	07-10	0000000004600008014000	CURTIS & CURTIS C0001335 -ST. PAUL -MN		
07-11	07-10	0000000004600008014000	*FINANCE CHARGE* CASH ADVANCE FEE	8.07	
07-11	07-10	0000000004600008014000	CASH ADVANCE FROM -	474.45	
07-11	07-10	0000000004600008015000	CURTIS & CURTIS C0001333 -ST. PAUL -MN		
07-11	07-10	0000000004600008015000	*FINANCE CHARGE* CASH ADVANCE FEE	19.70	
07-11	07-10	0000000004600008015000	CASH ADVANCE FROM -	1,159.05	
07-11	07-10	0000000004600008016000	CURTIS & CURTIS C0001331 -ST. PAUL -MN		
07-11	07-10	0000000004600008016000	*FINANCE CHARGE* CASH ADVANCE FEE	6.24	
07-11	07-10	0000000004600008016000	CASH ADVANCE FROM -	366.85	
07-11	07-10	0000000004600008017000	CURTIS & CURTIS C0001330 -ST. PAUL -MN		
07-11	07-10	0000000004600008017000	*FINANCE CHARGE* CASH ADVANCE FEE	7.05	
07-11	07-10	0000000004600008017000	CASH ADVANCE FROM -	414.55	
07-12	07-11	0000000004600008018000	CURTIS & CURTIS C0001332 -ST. PAUL -MN		
07-12	07-11	0000000004600008018000	REAL-TIME REPORTERS 03125789323 IL	1,066.00	
07-13	07-12	0000000004600008019000	SO *AROUND THE BEND CO BEND OR	197.35	
07-13	07-12	0000000004600008019000	SO *AROUND THE BEND CO BEND OR	345.55	
07-13	07-12	0000000004600008019000	SO *AROUND THE BEND CO BEND OR	360.15	
07-17	07-16	0000000004600008020000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09	
07-17	07-16	0000000004600008020000	CASH ADVANCE FROM -	5.00	
07-19	07-18	0000000004600002004000	CLERK DC COURT OF 001336 -ST. PAUL -MN		
07-19	07-18	0000000004600002004000	*FINANCE CHARGE* CASH ADVANCE FEE	4.04	
07-19	07-18	0000000004600002004000	CASH ADVANCE FROM -	237.90	
07-19	07-18	0000000004600011026000	ST LOUIS INVESTGAT001338 -ST. PAUL -MN		
07-19	07-18	0000000004600011026000	*FINANCE CHARGE* CASH ADVANCE FEE	0.12	
07-19	07-18	0000000004600011026000	CASH ADVANCE FROM -	7.00	
07-19	07-17	75569632201600006016009	CLERK COURT OF APP001337 -ST. PAUL -MN		
07-19	07-17	75569632201600006016009	*FINANCE CHARGE* CASH ADVANCE FEE	8.01	
07-19	07-17	75569632201600006016009	CASH ADVANCE FROM -	471.20	
07-19	07-17	75569632201600006017007	THOMPSON COURT REP001328 -ST. PAUL -MN		
07-19	07-17	75569632201600006017007	*FINANCE CHARGE* CASH ADVANCE FEE	8.21	
07-19	07-17	75569632201600006017007	CASH ADVANCE FROM -	482.65	
07-19	07-17	75569632201600006017007	THOMPSON COURT REP001329 -ST. PAUL -MN		
LEA ANALYSIS BELOW					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$2,194.43	\$0.00	\$2,194.43
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-20	06-19	0000000004600008021000	INUMBR SACRAMENTO CA	99.99	
06-21	06-20	0000000004600008021000	IVIZE SERVICES, INC. 704-377-2050 NC	1,549.95	
07-09	07-06	0000000004600008022000	AMAZON.COM AMZN.COM/BILL WA	156.70	
07-09	07-06	0000000004600008022000	AMAZON.COM AMZN.COM/BILL WA	100.73	
07-09	07-09	0000000004600008022000	AMAZON.COM AMZN.COM/BILL WA	187.07	
07-18	07-17	0000000004600008022000	INUMBR SACRAMENTO CA	99.99	
Department: 05001 Total:					\$37,248.56



Company Name:	CFTC
Corporate Account Number:	[REDACTED]
Statement Date:	07-19-2012

NEW ACTIVITY

SCOTT WILLIAMSON

CREDITS  
\$0.00

PURCHASES  
\$0.43

CASH ADV  
\$25.00

TOTAL ACTIVITY  
\$25.43

Post Date	Tran Date	Reference Number	Transaction Description	Amount
06-22	06-21	00000000004600006021000	'FINANCE CHARGE' CASH ADVANCE FEE	0.43
06-22	06-21	00000000004600006021000	CASH ADVANCE FROM - SHERIFF OF MONOGAHO01039 -ST. PAUL -MN	25.00
Department: 05002 Total:				\$25.43
Division: 00001 Total:				\$37,273.99

JANIS KELLY

CREDITS  
\$51.30

PURCHASES  
\$8,276.42

CASH ADV  
\$0.00

TOTAL ACTIVITY  
\$8,225.12

Post Date	Tran Date	Reference Number	Transaction Description	Amount
06-25	06-22		OFFICE DEPOT #5910 800-463-3768 PA	388.09
06-25	06-23		OFFICE DEPOT #5910 800-463-3768 PA	27.09
06-25	06-23		OFFICE DEPOT #5910 800-463-3768 PA	3.91
06-25	06-22		LEGALSTORE.COM SANTA MONICA CA	50.76
06-25	06-22		RUBBER STAMP CHAMP 760-5109600 CA	11.00
06-25	06-22		DEMCO INC 800-9624663 WI	108.07
06-26	06-25		OFFICE DEPOT #5910 800-463-3768 PA	44.55
06-26	06-25		OFFICE DEPOT #5910 800-463-3768 PA	181.27
06-22	06-30		OFFICE DEPOT #5910 800-463-3768 PA	22.36
07-02	06-30		OFFICE DEPOT #5910 800-463-3768 PA	385.40
07-02	06-30		OFFICE DEPOT #5910 800-463-3768 PA	87.98
07-03	07-02		OFFICE DEPOT #5910 800-463-3768 PA	240.21
07-03	07-02		OFFICE DEPOT #5910 800-463-3768 PA	626.60
07-03	07-02		OFFICE DEPOT #5910 800-463-3768 PA	449.31
07-03	07-02		OFFICE DEPOT #5910 800-463-3768 PA	60.98
07-03	07-02		STANDARD OFFICE SUPPLY 02028294820 DC	625.45
07-03	07-02		STANDARD OFFICE SUPPLY 02028294820 DC	59.52
07-03	07-02		STANDARD OFFICE SUPPLY 02028294820 DC	244.79
07-03	07-02		STANDARD OFFICE SUPPLY 02028294820 DC	508.68
07-04	07-03		CASES BY SOURCE SOURCE 201-8310005 NJ	191.99
07-04	07-03		AOP BUSINESS SERVICES 0202526056 DC	695.00
07-06	07-05		AOP BUSINESS SERVICES 0202526056 DC	695.00
07-09	07-06		CUBICLE KEYS.COM 05026344226 KY	42.00
07-11	07-10		OFFICE WORLD, INC. 541-5879704 OR	51.30
07-12	07-10		DEMCO INC 800-9624663 WI	185.75
07-13	07-12		OFFICE DEPOT #5910 800-463-3768 PA	225.78
07-13	07-12		OFFICE DEPOT #5910 800-463-3768 PA	624.19
07-13	07-12		OFFICE DEPOT #5910 800-463-3768 PA	41.28
07-13	07-12		OFFICE DEPOT #5910 800-463-3768 PA	167.58
07-13	07-12		OFFICE DEPOT #5910 800-463-3768 PA	109.75
07-13	07-12		OFFICE DEPOT #5910 800-463-3768 PA	187.80
07-13	07-12		OFFICE DEPOT #5910 800-463-3768 PA	273.54
07-17	07-16		STANDARD OFFICE SUPPLY 02028294820 DC	275.97
07-17	07-16		STANDARD OFFICE SUPPLY 02028294820 DC	46.99
07-18	07-17		OFFICEWORLD.COM 8778168767 OR	51.30
07-18	07-17		OFFICE DEPOT #5910 800-463-3768 PA	53.00
07-18	07-17		OFFICE DEPOT #5910 800-463-3768 PA	187.95
07-18	07-17		OFFICEWORLD.COM 8778168767 OR	51.30
07-18	07-17		PENINSULA PRINTING, IN SALSBUURY MD	144.15



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 07-19-2012

NEW ACTIVITY						
<b>JOEL BERMAN</b>			<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]			\$0.00	\$5,626.52	\$0.00	\$5,626.52
<b>Post Date</b>	<b>Tran Date</b>	<b>Reference Number</b>	<b>Transaction Description</b>			<b>Amount</b>
06-20	06-19	[REDACTED]	W E BOWERS & ASSOC INC 03014192488 MD			870.22
06-22	06-21	[REDACTED]	ADT SECURITY SERVICES 800-238-2455 FL			178.10
07-02	06-29	[REDACTED]	W E BOWERS & ASSOC INC 03014192488 MD			1,580.00
07-02	06-29	[REDACTED]	ELECTRONIC ENVIRONS CO 07813022600 MA			2,100.00
07-09	07-06	[REDACTED]	BLK/ RAPID REFILL NEWINGTON VA			220.50
07-12	07-11	[REDACTED]	KULLY SUPPLY PC 08005185388 MN			140.50
07-13	07-11	[REDACTED]	DOMINION ELECTRIC SUPP 202-7890500 DC			537.20
<b>LESTER HARDING</b>			<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]			\$0.00	\$1,470.00	\$0.00	\$1,470.00
<b>Post Date</b>	<b>Tran Date</b>	<b>Reference Number</b>	<b>Transaction Description</b>			<b>Amount</b>
07-02	06-28	55458852180069793609787	IDENTICARD 07175585797 WI			1,470.00
<b>DENISE HAMM</b>			<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]			\$0.00	\$57.52	\$0.00	\$57.52
<b>Post Date</b>	<b>Tran Date</b>	<b>Reference Number</b>	<b>Transaction Description</b>			<b>Amount</b>
07-10	07-09	55432862191000941228763	FRANKLIN COVEY PRODUCTS 800-819-1812 UT			57.52
<b>HENRY HANSEN</b>			<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]			\$0.00	\$905.23	\$440.00	\$1,345.23
<b>Post Date</b>	<b>Tran Date</b>	<b>Reference Number</b>	<b>Transaction Description</b>			<b>Amount</b>
06-29	06-27	25265862180180297573208	ABM TRUSTCOMMERCE 713-7764545 TX			667.36
07-05	07-03	85247812186900012900014	SUPREME SYSTEMS INC NEW YORK NY			55.00
07-06	07-06	55432862188000017797696	ADT SECURITY SERVICES 800-238-2455 FL			175.39
07-09	07-06	0000000004600004038000	FINANCE CHARGE* CASH ADVANCE FEE			7.48
07-09	07-06	0000000004600004038000	CASH ADVANCE FROM - MERIDIAN ASSOC 001055 -ST. PAUL -MN			440.00
<b>NYREE THOMAS</b>			<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]			\$0.00	\$1,584.00	\$0.00	\$1,584.00
<b>Post Date</b>	<b>Tran Date</b>	<b>Reference Number</b>	<b>Transaction Description</b>			<b>Amount</b>
06-25	06-22	55460292175273174010050	PJ MECHANICAL SERVICES 02128866653 NY			880.00
07-16	07-13	05436642196100151661188	OFFICE DEPOT #5910 800-463-3768 PA			704.00



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 07-19-2012

NEW ACTIVITY						
SARAH JAMBROSEK		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$329.79	\$5,416.14	\$0.00	\$5,086.35	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
06-22	06-21	05436842173200045780660	GSA/FAS 703-605-5635 VA		198.80	
07-04	07-03	55547502185122809010141	GARVEY'S OFFICE PRODUCE 08475881690 IL		701.79	
07-09	07-06	55547502188122811010540	GARVEY'S OFFICE PRODUCE 08475881690 IL		329.79CR	
07-09	07-06	55547502188122811010284	GARVEY'S OFFICE PRODUCE 08475881690 IL		962.01	
07-12	07-11	55547502193122814010482	GARVEY'S OFFICE PRODUCE 08475881690 IL		982.85	
07-16	07-13	55547502195122816010181	GARVEY'S OFFICE PRODUCE 08475881690 IL		2,074.50	
07-16	07-13	55547502195122816010789	GARVEY'S OFFICE PRODUCE 08475881690 IL		25.99	
07-17	07-16	55547502198122817010120	GARVEY'S OFFICE PRODUCE 08475881690 IL		470.20	
Department: 05004 Total:					\$23,394.74	
MARGIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$166.82	\$2,460.00	\$2,626.82	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
06-21	06-20	55488722172207947900053	LA BAGUETTE DE PARIS WASHINGTON DC		125.00	
07-04	07-03	0000000004600006035000	"FINANCE CHARGE" CASH ADVANCE FEE		41.82	
07-04	07-03	0000000004600006035000	CASH ADVANCE FROM BICYCLE SPACE 001053 -ST. PAUL -MN		2,460.00	
CATHY WICZYKOWSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$5,057.41	\$0.00	\$5,057.41	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
06-20	06-19	000000000000000000000000	OFFICE DEPOT #1090 800-463-3768 MA		76.93	
06-20	06-19	000000000000000000000000	OMNIFICS ALEXANDRIA VA		1,472.00	
06-20	06-19	000000000000000000000000	LOWES #01623* KANSAS CITY MO		138.44	
06-20	06-18	000000000000000000000000	THE HOME DEPOT 2202 MERRIAM KS		87.67	
06-21	06-20	000000000000000000000000	OMNIFICS ALEXANDRIA VA		1,430.00	
06-21	06-20	000000000000000000000000	OMNIFICS ALEXANDRIA VA		1,134.00	
07-17	07-16	000000000000000000000000	SENTRY GROUP 03853814900 NY		15.00	
07-18	07-16	000000000000000000000000	OFFICE DEPOT #1090 800-463-3768 MA		559.21	
07-18	07-16	000000000000000000000000	OFFICE DEPOT #1214 800-463-3768 GA		134.16	
Department: 05006 Total:					\$7,684.23	
Division: 00003 Total:					\$31,078.97	
NICHOLAS GRAHAM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$11,208.00	\$0.00	\$11,208.00	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
07-13	07-11	55457022194036007115302	CORT FURNITURE-GSA #99 CAPITOL HEIGH MD		11,208.00	





Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 07-19-2012

NEW ACTIVITY					
CYNTHIA WATSON		CREDITS \$0.00	PURCHASES \$90,443.77	CASH ADV \$0.00	TOTAL ACTIVITY \$90,443.77
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-20	06-19	55411111111111111111111111111111	ATACOM INC 05109331200 CA	1,767.20	
06-20	06-19	55411111111111111111111111111111	ENTERPRISE 9258000340 CA	3,224.85	
06-21	06-19	55411111111111111111111111111111	CARTRIDGE SAVERS INC 600-2277283 WI	1,261.00	
06-21	06-20	55411111111111111111111111111111	FORENSIC CO 5407269530 VA	2,647.60	
06-21	06-20	55411111111111111111111111111111	SYNNEX 888-6887558 CA	1,739.98	
06-22	06-21	55411111111111111111111111111111	DIV DIRECTV SERVICE 800-347-3288 CA	234.99	
06-22	06-21	55411111111111111111111111111111	EN-POINTE GOV INC 310-337-5200 CA	395.48	
06-22	06-21	55411111111111111111111111111111	ATT-BUS PHONE PMT 800-860-3000 TX	41.71	
06-22	06-21	55411111111111111111111111111111	TELECOM TECHNOLOGIES I 06514565800 MN	4,819.20	
06-25	06-21	55411111111111111111111111111111	ACCESS PRODUCTS INC IM COLORADO SPRI CO	893.65	
06-25	06-21	55411111111111111111111111111111	TIME WARNER CABLE 816-3588033 MO	253.35	
06-25	06-22	55411111111111111111111111111111	DLT SOLUTIONS 703-773-HERNDON VA	1,903.02	
06-26	06-25	55411111111111111111111111111111	PROVANTAGE LLC 800-3361106 OH	2,220.95	
06-26	06-25	55411111111111111111111111111111	LYME COMPUTER SYSTEMS 603-795-4000 NH	6,872.88	
06-27	06-27	55411111111111111111111111111111	TWC-TIME WARNER NYC 718-358-0900 NY	295.89	
06-27	06-25	55411111111111111111111111111111	NETWORK INSTRUM OF 00 952-3583800 MN	795.00	
06-28	06-27	55411111111111111111111111111111	APL-APPLE ITUNES STORE 866-712-7753 CA	222.45	
06-28	06-27	55411111111111111111111111111111	APL-APPLE ITUNES STORE 866-712-7753 CA	29.53	
06-28	06-27	55411111111111111111111111111111	APL-APPLE ITUNES STORE 866-712-7753 CA	148.25	
06-28	06-27	55411111111111111111111111111111	APL-APPLE ITUNES STORE 866-712-7753 CA	10.58	
06-28	06-27	55411111111111111111111111111111	APL-APPLE ITUNES STORE 866-712-7753 CA	148.25	
06-28	06-27	55411111111111111111111111111111	APL-APPLE ITUNES STORE 866-712-7753 CA	148.25	
06-28	06-27	55411111111111111111111111111111	APL-APPLE ITUNES STORE 866-712-7753 CA	40.93	
06-29	06-28	55411111111111111111111111111111	TELECOM TECHNOLOGIES I 06514565800 MN	15,600.00	
07-02	06-30	55411111111111111111111111111111	OFFICE DEPOT #5910 800-463-3768 PA	58.46	
07-02	06-30	55411111111111111111111111111111	SOFTIMART 08003281319 PA	763.00	
07-02	06-29	55411111111111111111111111111111	GRASSHOPPER.COM/CHARGE NEEDHAM MA	59.30	
07-02	06-29	55411111111111111111111111111111	CARAHSOFT TECHNOLOGY C 703-8718500 VA	952.80	
07-02	06-29	55411111111111111111111111111111	CARAHSOFT TECHNOLOGY C 703-8718500 VA	13,292.28	
07-03	07-01	55411111111111111111111111111111	AUTOPAY/DISH NTWK 800-894-9131 CO	146.99	
07-06	07-05	55411111111111111111111111111111	COMCAST OF WASHINGTON 800-COMCAST DC	106.95	
07-06	07-05	55411111111111111111111111111111	TELECOM TECHNOLOGIES I 06514565800 MN	13,436.60	
07-13	07-11	55411111111111111111111111111111	AUTOPAY/DISH NTWK 800-894-9131 CO	118.99	
07-16	07-13	55411111111111111111111111111111	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	29.41	
07-16	07-14	55411111111111111111111111111111	SERVER SUPPLY.COM INC 800-413-6989 NY	2,640.00	
07-16	07-14	55411111111111111111111111111111	VZWRLSS-APOCC VISE 800-922-0204 NJ	490.10	
07-16	07-14	55411111111111111111111111111111	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	35.80	
07-16	07-15	55411111111111111111111111111111	AMAZON.COM AMZN.COM/BILL WA	790.78	
07-16	07-13	55411111111111111111111111111111	ATTM *287240832047 08003310500 GA	1,201.27	
07-17	07-16	55411111111111111111111111111111	AMAZON.COM AMZN.COM/BILL WA	1,210.87	
07-17	07-16	55411111111111111111111111111111	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	39.84	
07-18	07-16	55411111111111111111111111111111	OFFICE DEPOT #5910 800-463-3768 PA	73.79	
07-18	07-16	55411111111111111111111111111111	OFFICE DEPOT #5910 800-463-3768 PA	331.92	
07-18	07-17	55411111111111111111111111111111	ADORAMA INC 212-7410466 NY	1,998.99	
07-19	07-19	55411111111111111111111111111111	TWC-TIME WARNER NYC 718-358-0900 NY	296.15	
07-19	07-17	55411111111111111111111111111111	IMMIXTECHNOLOGY, IN 703-750-0610 VA	713.69	
Department: 05009 Total:					\$143,990.72
BEVERLY BROWN		CREDITS \$0.00	PURCHASES \$1,638.53	CASH ADV \$0.00	TOTAL ACTIVITY \$1,638.53
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-21	06-20	55480772173892014114100	UNITED OFFICE SOLUTION 09524013268 MN	917.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 07-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-27	06-26	05429552178003770355420	WWW.CLEVERBRIDGE.NET KOELN DEU	395.00	
06-29	06-28	55432862180000797783468	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	262.39	
07-10	07-08	55421352191390120897488	A&E SUPPLY HOUSTON TX	64.14	
Department: 05010 Total:				\$1,638.53	
Division: 00005 Total:				\$145,629.25	
DANIEL MAY [REDACTED]					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$22,413.97	\$0.00	\$22,413.97
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-20	06-18	[REDACTED]	WORLD BANK BOOK STORE WASHINGTON DC	91.79	
06-21	06-20	[REDACTED]	PAYPAL *ISTOR 4029357733 NY	19.00	
06-21	06-20	[REDACTED]	ADI*ASPEN PUBLISHERS 800-234-1660 MD	145.95	
06-21	06-20	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	188.03	
06-21	06-20	[REDACTED]	BARNES&NOBLE.COM 800-843-2665 NJ	180.91	
06-21	06-20	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	285.46	
06-22	06-21	[REDACTED]	THOMSON WEST*TCO 800-328-4880 MN	250.50	
06-22	06-21	[REDACTED]	THOMSON WEST*TCO 800-328-4880 MN	1,058.40	
06-22	06-21	[REDACTED]	THOMSON WEST*TCO 800-328-4880 MN	3,051.20	
06-28	06-26	[REDACTED]	STUDENTS BOOK COMPANY WASHINGTON DC	216.00	
07-02	06-30	[REDACTED]	AMERICAN BAR ASSOCIATI 800-2852221 IL	312.80	
07-06	07-05	[REDACTED]	AGRESOURCEC 3124080045 IL	65.00	
07-06	07-05	[REDACTED]	EBE*ENCY. BRITANNICA 800-554-9862 IL	670.00	
07-06	07-05	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	23.34	
07-06	07-05	[REDACTED]	BNA 5 ARLINGTON VA	3,415.00	
07-09	07-07	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	298.46	
07-09	07-06	[REDACTED]	PAGEANT MEDIA LTD LONDON EC1A	4,000.00	
07-09	07-05	[REDACTED]	STUDENTS BOOK COMPANY WASHINGTON DC	169.00	
07-11	07-10	[REDACTED]	CATTLEFAX 303-6940323 CO	2,400.00	
07-12	07-11	[REDACTED]	VLEX NETWORKS BARCELONA ESP (FOREIGN CURRENCY) 2,848.31 EUR 07/12 (RATE) 0.8057	3,535.07	
07-13	07-12	85418362194118000103280	AMERICAN BAR ASSOCIATI 800-2852221 IL	705.70	
07-16	07-13	55432862195000063294470	TCO*GALE 248-699-4253 MI	1,119.39	
07-16	07-14	55432862196000309433703	AMAZON.COM AMZN.COM/BILL WA	213.97	
Department: 05013 Total:				\$22,413.97	
Division: 00007 Total:				\$22,413.97	
VENITA HILL [REDACTED]					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$67.00	\$0.00	\$67.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-20	06-19	55429502172027074862258	COURTCALL *#4997612 03103420888 CA	37.00	
07-18	07-17	55429502200027169621789	COURTCALL *#5045541 03103420888 CA	30.00	
Department: 05016 Total:				\$67.00	
Division: 00009 Total:				\$67.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 07-19-2012

NEW ACTIVITY					
JANIS KELLY VA HQ		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$486.04	\$0.00	\$486.04
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
06-21	06-20	00000000000000000000	CONSUMERS STRAUS WASHINGTON DC	47.01	
06-22	06-20	00000000000000000000	MR. WASH CAR WASH PH ALEXANDRIA VA	15.99	
06-26	06-26	00000000000000000000	SHOOTY PRODUCTIONS WASHINGTON DC	91.25	
07-02	06-29	00000000000000000000	W. WASHINGTON CLUB WASHINGTON DC	42.01	
07-02	06-29	00000000000000000000	MR. WASH CAR WASH PH ALEXANDRIA VA	15.99	
07-11	07-09	00000000000000000000	SHOOTY PRODUCTIONS WASHINGTON DC	94.11	
07-18	07-16	00000000000000000000	MR. WASH CAR WASH PH ALEXANDRIA VA	15.99	
07-18	07-16	00000000000000000000	MR. WASH CAR WASH PH ALEXANDRIA VA	15.99	
07-18	07-16	00000000000000000000	SHOOTY PRODUCTIONS WASHINGTON DC	45.00	
07-18	07-16	00000000000000000000	SHOOTY PRODUCTIONS WASHINGTON DC	102.70	

Department: 05017 Total:	\$486.04
Division: 00010 Total:	\$486.04



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000005172 3 SP 106481739896156 S  
CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 08-19-2012  
AMOUNT DUE \$4,460.68  
NEW BALANCE \$4,460.68  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$  
Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	Checks	Check + Fee	- Credits	= Current Activity	Payments	Account Balance
Company Total	\$5,679.17	\$306,215.69	\$0.00	\$11,962.70	\$203.42	\$6,228.36	\$312,153.45	\$313,371.94	\$4,460.68

Default Accounting Code:		
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER	
	[REDACTED]	
	STATEMENT DATE	DISPUTED AMOUNT
	08/19/12	.00
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	AMOUNT DUE	
	4,460.68	
	ACCOUNT SUMMARY	
	PREVIOUS BALANCE 5,679.17 PURCHASES & OTHER CHARGES 306,215.69 SELF ASSESSED INTEREST PENALTY .00 CHECKS 11,962.70 CHECK FEE 203.42 CREDITS 6,228.36 CURRENT BILLING ACTIVITY 312,153.45 PAYMENTS 313,371.94 ACCOUNT BALANCE 4,460.68	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 08-19-2012

CORPORATE ACCOUNT ACTIVITY					
CFTC		TOTAL CORPORATE ACTIVITY			
[REDACTED]		\$313,371.94 CR			
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-20	07-20	7556963220202011111129	WIRE PAYMENT	5,679.17	PY
07-23	07-23	7556963220520511111129	WIRE PAYMENT	22,346.38	PY
07-24	07-24	7556963220620611111167	WIRE PAYMENT	48,600.06	PY
07-25	07-25	75569632207207111111230	WIRE PAYMENT	3,282.08	PY
07-26	07-26	7556963220820811111344	WIRE PAYMENT	1,554.64	PY
07-27	07-27	7556963220920911111267	WIRE PAYMENT	16,159.24	PY
07-30	07-30	7556963221221211111266	WIRE PAYMENT	16,865.04	PY
07-31	07-31	7556963221321311111123	WIRE PAYMENT	22,286.80	PY
08-01	08-01	7556963221421411111567	WIRE PAYMENT	3,570.40	PY
08-03	08-03	7556963221621611111123	WIRE PMT 08/03/12	20,604.80	PY
08-03	08-02	7556963221621611111453	WIRE PAYMENT	4,184.84	PY
08-06	08-06	7556963221921911111173	WIRE PAYMENT	37,392.64	PY
08-07	08-07	7556963222022011111129	WIRE PAYMENT	26,374.39	PY
08-08	08-08	7556963222122111111191	WIRE PAYMENT	1,979.87	PY
08-09	08-09	7556963222222211111123	WIRE PAYMENT	5,798.21	PY
08-10	08-10	7556963222322311111120	WIRE PAYMENT	33,853.11	PY
08-13	08-13	7556963222622611111153	WIRE PAYMENT	1,196.12	PY
08-14	08-14	7556963222722711111473	WIRE PAYMENT	5,395.20	PY
08-15	08-15	7556963222822811111132	WIRE PAYMENT	13,468.84	PY
08-16	08-16	7556963222922911111121	WIRE PAYMENT	19,730.64	PY
08-17	08-17	7556963223023011111126	WIRE PAYMENT	3,048.47	PY

NEW ACTIVITY					
MONICA GREEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$11,103.90	\$241.20	\$11,345.10
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-27	07-26	000000000000000000000000	PAYPAL *DIRECTPROCE 4029357733 CA	480.00	
07-27	07-26	000000000000000000000000	HERITAGE REPORTING COR 02026284888 DC	4,091.71	
07-27	07-26	000000000000000000000000	RESPONSIVE DATA SOLUTI WASHINGTON DC	3,520.32	
07-30	07-26	000000000000000000000000	ALLIANCE REPORTING SER MINEOLA NY	1,255.75	
07-30	07-26	000000000000000000000000	ALLIANCE REPORTING SER MINEOLA NY	751.00	
08-06	08-03	000000000000000000000000	REAL TIME REPORTERS 03125789323 IL	1,001.00	
08-10	08-09	000000000000000000000000	*FINANCE CHARGE* CASH ADVANCE FEE	1.74	
08-10	08-09	000000000000000000000000	CASH ADVANCE FROM -	102.20	
08-13	08-10	00000000004600010011000	RANDY M WILSON 001125 -ST. PAUL -MN		
08-13	08-10	00000000004600010011000	*FINANCE CHARGE* CASH ADVANCE FEE	1.77	
08-13	08-10	00000000004600010011000	CASH ADVANCE FROM -	104.00	
08-15	08-14	00000000004600008018000	DELAWARE SECRETARY001127 -ST. PAUL -MN		
08-15	08-14	00000000004600008018000	*FINANCE CHARGE* CASH ADVANCE FEE	0.26	
08-15	08-14	00000000004600008018000	CASH ADVANCE FROM -	15.00	
08-15	08-14	00000000004600008019000	TREASURER OF VIRGI001129 -ST. PAUL -MN		
08-15	08-14	00000000004600008019000	*FINANCE CHARGE* CASH ADVANCE FEE	0.26	
08-15	08-14	00000000004600008019000	CASH ADVANCE FROM -	15.00	
08-17	08-16	00000000004600006009000	TREASURER OF VIRGI001130 -ST. PAUL -MN		
08-17	08-16	00000000004600006009000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09	
08-17	08-16	00000000004600006009000	CASH ADVANCE FROM -	5.00	
			CLERK DC COURT OF 001133 -ST. PAUL -MN		



Company Name: CFTC
Corporate Account Number: [REDACTED]
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NEW ACTIVITY					
JESSICA STROM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$16,558.35	\$11,551.50	\$28,109.85
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-20	07-19	0000000004600004020000	*FINANCE CHARGE* CASH ADVANCE FEE	19.83	
07-20	07-19	0000000004600004020000	CASH ADVANCE FROM -	1,166.50	
07-20	07-19	0000000004600004021000	SUSAN SOBLE ASSOC 001343 -ST. PAUL -MN		
07-20	07-19	0000000004600004021000	*FINANCE CHARGE* CASH ADVANCE FEE	8.49	
07-20	07-19	0000000004600004022000	CASH ADVANCE FROM -	499.20	
07-20	07-19	0000000004600004022000	SUSAN SOBLE ASSOC 001344 -ST. PAUL -MN		
07-20	07-19	0000000004600004022000	*FINANCE CHARGE* CASH ADVANCE FEE	5.81	
07-20	07-19	0000000004600004023000	CASH ADVANCE FROM -	341.80	
07-20	07-19	0000000004600004023000	SUSAN SOBLE ASSOC 001345 -ST. PAUL -MN		
07-20	07-19	0000000004600004023000	*FINANCE CHARGE* CASH ADVANCE FEE	15.79	
07-20	07-19	0000000004600004024000	CASH ADVANCE FROM -	928.95	
07-20	07-19	0000000004600004024000	SUSAN SOBLE ASSOC 001346 -ST. PAUL -MN		
07-20	07-19	0000000004600004024000	*FINANCE CHARGE* CASH ADVANCE FEE	20.67	
07-20	07-19	0000000004600004025000	CASH ADVANCE FROM -	1,215.90	
07-20	07-19	0000000004600004025000	SUSAN SOBLE ASSOC 001342 -ST. PAUL -MN		
07-20	07-19	0000000004600004025000	*FINANCE CHARGE* CASH ADVANCE FEE	14.81	
07-20	07-19	0000000004600004026000	CASH ADVANCE FROM -	871.00	
07-20	07-19	0000000004600004026000	SUSAN SOBLE ASSOC 001348 -ST. PAUL -MN		
07-20	07-19	0000000004600004026000	*FINANCE CHARGE* CASH ADVANCE FEE	12.51	
07-20	07-19	0000000004600004026000	CASH ADVANCE FROM -	736.00	
07-20	07-19	0000000004600004027000	SUSAN SOBLE ASSOC 001349 -ST. PAUL -MN		
07-20	07-19	0000000004600004027000	*FINANCE CHARGE* CASH ADVANCE FEE	9.87	
07-20	07-19	0000000004600004027000	CASH ADVANCE FROM -	580.45	
07-20	07-19	0000000004600010001000	SUSAN SOBLE ASSOC 001347 -ST. PAUL -MN		
07-20	07-19	0000000004600010001000	*FINANCE CHARGE* CASH ADVANCE FEE	19.22	
07-20	07-19	0000000004600010001000	CASH ADVANCE FROM -	1,130.40	
07-23	07-20	0000000004600010001000	SUSAN SOBLE ASSOC 001350 -ST. PAUL -MN		
07-23	07-20	0000000004600010001000	REAL-TIME REPORTERS 03125789323 IL	870.20	
07-23	07-20	0000000004600010001000	REAL-TIME REPORTERS 03125789323 IL	899.50	
07-23	07-20	0000000004600010001000	REAL-TIME REPORTERS 03125789323 IL	602.50	
07-23	07-20	0000000004600010001000	REAL-TIME REPORTERS 03125789323 IL	553.50	
07-23	07-20	0000000004600010001000	REAL-TIME REPORTERS 03125789323 IL	515.00	
07-23	07-21	0000000004600010001000	PRONTO PROCESS - HOUST HOUSTON TX	120.00	
07-23	07-20	0000000004600010001000	RESPONSIVE DATA SOLUTION WASHINGTON DC	159.13	
07-23	07-20	0000000004600010001000	RESPONSIVE DATA SOLUTION WASHINGTON DC	189.00	
07-23	07-20	0000000004600010001000	ANDERSON COURT REPORT 703-5197180 VA	531.75	
07-23	07-20	0000000004600010001000	ANDERSON COURT REPORT 703-5197180 VA	1,234.11	
07-23	07-20	0000000004600010001000	ANDERSON COURT REPORT 703-5197180 VA	645.52	
07-24	07-23	0000000004600010001000	*FINANCE CHARGE* CASH ADVANCE FEE	17.03	
07-24	07-23	0000000004600010001000	CASH ADVANCE FROM -	648.55	
07-26	07-25	0000000004600010001000	AROUND THE BEND CO001351 -ST. PAUL -MN		
07-26	07-25	0000000004600010001000	TAYLOR JONOVIC WHITE & 03053589047 FL	1,072.60	
07-26	07-25	0000000004600010001000	TAYLOR JONOVIC WHITE & 03053589047 FL	1,063.70	
07-26	07-25	0000000004600010001000	TAYLOR JONOVIC WHITE & 03053589047 FL	757.85	
07-26	07-25	0000000004600010001000	TAYLOR JONOVIC WHITE & 03053589047 FL	1,424.20	
07-26	07-25	0000000004600010001000	TAYLOR JONOVIC WHITE & 03053589047 FL	1,515.90	
07-26	07-25	0000000004600010001000	TAYLOR JONOVIC WHITE & 03053589047 FL	2,534.35	
07-26	07-25	0000000004600010001000	BAIN & ASSOCIATES COUR BIRMINGHAM AL	374.14	
07-26	07-25	0000000004600010001000	BAIN & ASSOCIATES COUR BIRMINGHAM AL	1,500.00	
08-01	07-30	0000000004600010001000	*FINANCE CHARGE* CASH ADVANCE FEE	8.93	
08-01	07-30	0000000004600010001000	CASH ADVANCE FROM -	525.00	
08-01	07-30	75569632214600005001007	ACCURATE LANGUAGE 001341 -ST. PAUL -MN		
08-01	07-30	75569632214600005001007	*FINANCE CHARGE* CASH ADVANCE FEE	8.93	
08-01	07-30	75569632214600005001007	CASH ADVANCE FROM -	525.00	
08-03	08-01	75569632216600007013008	ACCURATE LANGUAGE 001340 -ST. PAUL -MN		
08-03	08-01	75569632216600007013008	*FINANCE CHARGE* CASH ADVANCE FEE	17.47	
08-03	08-01	75569632216600007013008	CASH ADVANCE FROM -	1,027.50	
08-07	08-03	75569632220600007028000	M&M COURT REPORTING001352 -ST. PAUL -MN		
08-07	08-03	75569632220600007028000	*FINANCE CHARGE* CASH ADVANCE FEE	23.04	



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-07	08-03	7556963222060007025000	CASH ADVANCE FROM - THOMPSON COURT REP001339 -ST. PAUL -MN	1,355.25	
LEA-ANN BIGELOW		CREDITS \$0.00	PURCHASES \$7,217.37	CASH ADV \$55.00	TOTAL ACTIVITY \$7,272.37
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-30	07-27		ORLANDO LEGAL COPIES I 04072445521 FL	971.08	
08-01	07-30		GORE PERRY GATEWAY & L SAINT LOUIS MO	1,100.75	
08-02	08-01		ZACCO & ASSOCIATES REP ORLANDO FL	1,977.64	
08-02	08-01		ZACCO & ASSOCIATES REP ORLANDO FL	1,298.20	
08-02	08-01		ZACCO & ASSOCIATES REP ORLANDO FL	650.57	
08-02	08-01		ZACCO & ASSOCIATES REP ORLANDO FL	555.20	
08-07	08-06		*FINANCE CHARGE* CASH ADVANCE FEE	0.94	
08-07	08-06		CASH ADVANCE FROM -	55.00	
08-08	08-07	55429502220849587363624	SO CAL SUBPOENA SE001005 -ST. PAUL -MN	495.00	
08-09	08-08	55436872221172216868919	JANNEY AND JANNEY ATTO LOS ANGELES CA	70.00	
08-15	08-14	55546552227471583261156	INUMBR SACRAMENTO CA	99.99	
Department: 05001 Total:				\$46,727.32	
Division: 00001 Total:				\$46,727.32	
JANIS KELLY		CREDITS \$0.00	PURCHASES \$4,160.84	CASH ADV \$0.00	TOTAL ACTIVITY \$4,160.84
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-27	07-26		OFFICE DEPOT #5910 800-463-3768 PA	34.81	
07-27	07-26		OFFICE DEPOT #5910 800-463-3768 PA	33.18	
07-27	07-26		OFFICE DEPOT #5910 800-463-3768 PA	295.14	
07-27	07-26		OFFICE DEPOT #5910 800-463-3768 PA	639.79	
07-31	07-30		STANDARD OFFICE SUPPLY 02028294820 DC	64.99	
08-06	08-03		OFFICE DEPOT #1170 800-463-3768 OH	33.95	
08-06	08-03		OFFICE DEPOT #5910 800-463-3768 PA	138.72	
08-06	08-03		OFFICE DEPOT #5910 800-463-3768 PA	333.92	
08-06	08-03		OFFICE DEPOT #5910 800-463-3768 PA	257.10	
08-06	08-03		STANDARD OFFICE SUPPLY 02028294820 DC	91.36	
08-06	08-03		STANDARD OFFICE SUPPLY 02028294820 DC	112.43	
08-09	08-08		STAPLES 00115329 WASHINGTON DC	31.59	
08-09	08-08		OFFICE DEPOT #5910 800-463-3768 PA	20.74	
08-09	08-08		OFFICE DEPOT #5910 800-463-3768 PA	45.06	
08-09	08-08		OFFICE DEPOT #5910 800-463-3768 PA	40.49	
08-09	08-08		OFFICE DEPOT #5910 800-463-3768 PA	103.20	
08-09	08-08		OFFICE DEPOT #5910 800-463-3768 PA	36.13	
08-10	08-09		STANDARD OFFICE SUPPLY 02028294820 DC	135.96	
08-13	08-10		OFFICE DEPOT #5910 800-463-3768 PA	22.49	
08-13	08-10		OFFICE DEPOT #5910 800-463-3768 PA	213.62	
08-13	08-10		OFFICE DEPOT #5910 800-463-3768 PA	350.71	
08-13	08-10		OFFICE DEPOT #5910 800-463-3768 PA	239.16	
08-13	08-10		OFFICE DEPOT #5910 800-463-3768 PA	3.68	
08-13	08-10		OFFICE DEPOT #5910 800-463-3768 PA	340.50	
08-16	08-15		STANDARD OFFICE SUPPLY 02028294820 DC	476.02	
08-16	08-15		STANDARD OFFICE SUPPLY 02028294820 DC	64.10	



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NEW ACTIVITY

LOU BERMAN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$2,130.50	\$0.00	\$2,130.50	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-01	07-31	55457022213207088500020	W E BOWERS & ASSOC INC 03014192488 MD			535.00
08-02	07-31	2525958221421415241602	DOMINION ELECTRIC SUPP 202 7890500 DC			19.74
08-02	08-01	255386621510104268331	BLK/ RAPID REFILL NEWINGTON VA			370.75
08-16	08-15	55457022228207088500015	W E BOWERS & ASSOC INC 03014192488 MD			874.68
08-16	08-15	55457022228207088500023	W E BOWERS & ASSOC INC 03014192488 MD			330.33
LESTER HARDING		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$8.98	\$0.00	\$8.98	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-15	08-14	55436872228122280753424	EQUIFAX INFO SERVICES 800-6655000 GA			8.98
DENISE HAMM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$2.36	\$0.00	\$0.00	\$2.36 CR	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-13	08-10	55547502223602049466991	MAGNETICCONCEPTSCORP 8003344245 IN			2.36CR
NYREF THOMAS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$2,761.99	\$0.00	\$2,761.99	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
07-27	07-26		OFFICE DEPOT #5910 800-463-3758 PA			162.72
07-30	07-26		INDUSTRIES FOR THE BL 414-778-3040 WI			253.66
07-31	07-30		OFFICE DEPOT #5910 800-463-3758 PA			162.72
08-01	07-31		PJ MECHANICAL SERVICES 0212866653 NY			297.00
08-02	07-31		ABM TRUSTCOMMERCE 713-7764545 TX			749.97
08-07	08-06		OFFICE DEPOT #5910 800-463-3768 PA			132.69
08-08	08-07		GSA/FAS 703-605-5635 VA			153.87
08-08	08-07		GSA/FAS 703-605-5635 VA			153.87
08-15	08-14		CALDERON LOCKSMITH NEW YORK NY			92.50
08-17	08-16		OFFICE DEPOT #5910 800-463-3768 PA			125.97
08-17	08-15		SHRED-IT-NEW YORK 08006979733 NY			120.00
08-17	08-15		SHRED-IT-NEW YORK 08006979733 NY			60.00
08-17	08-15		SHRED-IT-NEW YORK 08006979733 NY			172.00
08-17	08-15		SHRED-IT-NEW YORK 08006979733 NY			125.00
SARAH LAMBROSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$3,722.77	\$0.00	\$3,722.77	



Company Name: CFTC
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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-24	07-23		CHARNSTROM SHAKOPEE MN	53.17	
07-24	07-23		GARVEY'S OFFICE PRODUC 08475881690 IL	711.35	
07-24	07-23		GARVEY'S OFFICE PRODUC 08475881690 IL	517.98	
07-25	07-24		GARVEY'S OFFICE PRODUC 08475881690 IL	300.93	
08-02	08-01		GARVEY'S OFFICE PRODUC 08475881690 IL	309.00	
08-15	08-14		GARVEY'S OFFICE PRODUC 08475881690 IL	880.50	
08-17	08-16		GARVEY'S OFFICE PRODUC 08475881690 IL	889.84	
THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$704.00	\$0.00	\$704.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-23	07-20	55536072202816001264804	HILL MECHANICAL SERVIC 8474515066 IL	501.71	
08-08	08-07	85454912220900016800297	HUMANSCALE CORPORATION 732-537-2944 NJ	202.29	
Department: 05004 Total:				\$13,486.72	
MARGIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$1,701.76	\$0.00	\$1,701.76
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-23	07-20	85141192204900011416246	RIDGEWELL CATERERS BETHESDA MD	566.80	
07-27	07-26	05436842209500028116073	OFFICE DEPOT #5910 800-463-3768 PA	59.88	
07-27	07-26	05436842209500028116156	OFFICE DEPOT #5910 800-463-3768 PA	9.88	
07-27	07-26	55488122208207947400342	LA BAGUETTE DE PARIS WASHINGTON DC	62.50	
08-06	08-03	55310202217207181300113	DEBONAIR CLEANERS & LA KENSINGTON MD	799.00	
08-16	08-14	25204672228000424188319	PORT OF PIRAEUS II WASHINGTON DC	203.70	
CATHY WICKOWSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$1,877.99	\$0.00	\$1,877.99
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-30	07-27		OFFICE DEPOT #1080 800-463-3768 CO	24.70	
07-30	07-27		OFFICE DEPOT #1090 800-463-3768 MA	272.59	
07-30	07-27		OFFICE DEPOT #1135 800-463-3768 CA	134.16	
07-30	07-27		SMARTSIGN 7187971900 NY	28.75	
08-01	07-31		OFFICE DEPOT #1090 800-463-3768 MA	1,036.67	
08-01	07-31		OFFICE DEPOT #1105 800-463-3768 IL	77.61	
08-16	08-15		GSA/FAS 703-605-5635 VA	70.64	
08-17	08-16		OFFICE DEPOT #1090 800-463-3768 MA	12.89	
08-17	08-15		NTSUPPLY.COM 08867649900 IN	219.98	
Department: 05006 Total:				\$3,579.75	
Division: 00003 Total:				\$17,066.47	



Company Name: CFTC
Corporate Account Number: [REDACTED]
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NEW ACTIVITY						
NICHOLAS GRAHAM 5568-5204-9504-5195		CREDITS \$0.00	PURCHASES \$500.00	CASH ADV \$0.00	TOTAL ACTIVITY \$500.00	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-13	08-10	75306372224167902811416	THE SIGNATURE ROOM AT CHICAGO IL			500.00
SONDA R OWENS [REDACTED]		CREDITS \$0.00	PURCHASES \$27,518.47	CASH ADV \$0.00	TOTAL ACTIVITY \$27,518.47	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-03	08-02	55480772216200292300087	ATKINSON-BAKER INC 08185517310 CA			1,413.90
08-03	08-02	55480772216200292300095	ATKINSON-BAKER INC 08185517310 CA			203.00
08-03	08-02	55480772216200292300103	ATKINSON-BAKER INC 08185517310 CA			1,116.45
08-03	08-02	55480772216200292300111	ATKINSON-BAKER INC 08185517310 CA			1,693.52
08-03	08-02	55480772216200292300129	ATKINSON-BAKER INC 08185517310 CA			1,810.40
08-03	08-02	55480772216200292300137	ATKINSON-BAKER INC 08185517310 CA			1,156.95
08-03	08-02	55480772216200292300145	ATKINSON-BAKER INC 08185517310 CA			693.15
08-08	08-07	55480772221200292700040	ATKINSON-BAKER INC 08185517310 CA			1,505.05
08-08	08-07	55480772221200292700057	ATKINSON-BAKER INC 08185517310 CA			449.95
08-15	08-14	85183552227980005012794	COPY PRU LOS ANGELES CA			17,474.10
Department: 05007 Total:					\$28,018.47	
Division: 00004 Total:					\$28,018.47	
ANDRIETTA MINTER [REDACTED]		CREDITS \$867.50	PURCHASES \$86,773.90	CASH ADV \$0.00	TOTAL ACTIVITY \$86,086.40	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
07-23	07-20	55480772216200292300087	GLOBAL FINANCIAL MARKE JERICHO NY			18,000.00
07-23	07-20	55480772216200292300095	HUMAN RESOURCES INSTIT 301-7495600 MD			895.00
07-23	07-20	55480772216200292300103	INSIGHT MGMT. CONSULTI 02523381607 NC			14,625.00
07-23	07-24	55480772216200292300111	GRADUATE SCHOOL REG 08887444723 DC			1,045.00
07-30	07-27	55480772216200292300129	STAPL S9230217041000 800-3333330 CA			556.13
07-30	07-27	55480772216200292300137	LRP PUBLICATIONS 05616226520 FL			285.00
07-30	07-27	55480772216200292300145	HUMAN CAPITAL INSTITUT WHITE RIVER J VT			895.00
07-31	07-30	55480772216200292300153	NARA NWML TRAINING 817-551-2004 MD			125.00
08-02	08-01	55480772216200292300161	NARA NWML TRAINING 817-551-2004 MD			1,500.00
08-02	08-01	55480772216200292300169	EEOC TRAINING INST 202-663-4837 DC			1,444.00
08-02	08-01	55480772216200292300177	HUMAN RESOURCES INSTIT 301-7495600 MD			695.00
08-02	08-01	55480772216200292300185	GRADUATE SCHOOL REG 08887444723 DC			1,245.00
08-03	08-01	55480772216200292300193	SWISS FUTURES AND OPTI CH NE-BOURG CHE (FOREIGN CURRENCY) 800.00 CHF 08/03 (RATE) 0.9716			926.27
08-03	08-02	55480772216200292300201	LRP PUBLICATIONS 05616226520 FL			1,220.00
08-06	08-03	55480772216200292300209	ISDA 212-901-6000 NY			687.50 CR
08-06	08-02	55480772216200292300217	OPM-PHIL SVC CTR PHILADELPHIA PA			340.00
08-06	08-02	55480772216200292300225	OPM-PHIL SVC CTR PHILADELPHIA PA			340.00
08-06	08-02	55480772216200292300233	OPM-PHIL SVC CTR PHILADELPHIA PA			340.00
08-06	08-06	55480772216200292300241	THE INSTITUTE FOR FINA WASHINGTON DC DC			550.00
08-06	08-06	55480772216200292300249	THE INSTITUTE FOR FINA WASHINGTON DC DC			550.00
08-09	08-07	55480772216200292300257	EXECUTIVE INFORMATION 03015818594 MD			20,000.00
08-08	08-07	55480772216200292300265	EXECUTIVE INFORMATION 03015818594 MD			13,000.00
08-14	08-10	55480772216200292300273	KNOWLOGY CORP 07035329777 VA			1,236.75
08-14	08-10	55480772216200292300281	KNOWLOGY CORP 07035329777 VA			1,236.75



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 08-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-15	08-13	55460292227205430700054	2INSPIRY*PERFMGT 08772220448 CA	700.00
08-15	08-14	85450732227118000100288	SAS INSTITUTE INC 919-5315401 NC	1,620.00
08-16	08-14	55207392228182449517893	MANAGEMENT CONCEPTS TYSONS CORNER VA	1,029.00
08-17	08-16	55457022230200739801490	GRADUATE SCHOOL REG 08887444723 DC	1,640.00
08-17	08-16	55457022230200739801516	GRADUATE SCHOOL REG 08887444723 DC	725.00
LADAWN MURCHISON		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$0.00	\$340.00	\$0.00
				TOTAL ACTIVITY
				\$340.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-06	08-02	05436842216100150860761	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00
CYNTHIA WATSON		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$5,538.50	\$108,539.35	\$0.00
				TOTAL ACTIVITY
				\$103,000.85
Post Date	Tran Date	Reference Number	Transaction Description	Amount
07-20	07-18	55460292227205430700054	INTELLIGENT DECISIONS ASHBURN VA	13,709.18
07-23	07-19	55460292227205430700054	TIME WARNER CABLE 816-3588833 MO	253.35
07-23	07-21	55460292227205430700054	DTV*DIRECTV SERVICE 800-347-3288 CA	234.99
07-23	07-20	55460292227205430700054	EMERGENT LLC VIRGINIA BCH VA	7,404.00
07-24	07-23	55460292227205430700054	RN *REAL.COM ONLINE 888-769-3248 WA	1,290.00
07-26	07-24	55460292227205430700054	DLT SOLUTIONS 703-773- HERNDON VA	2,795.00
07-26	07-24	55460292227205430700054	DLT SOLUTIONS 703-773- HERNDON VA	3,048.50
07-27	07-25	55460292227205430700054	DLT SOLUTIONS 703-773- HERNDON VA	7,475.11
07-30	07-27	55460292227205430700054	WWW.NEUEGG.COM 800-390-1119 CA	407.86
07-30	07-27	55460292227205430700054	WWW.NEUEGG.COM 800-390-1119 CA	272.92
07-30	07-27	55460292227205430700054	WWW.NEUEGG.COM 800-390-1119 CA	32.69
07-30	07-27	55460292227205430700054	WWW.NEUEGG.COM 800-390-1119 CA	84.11
07-30	07-27	55460292227205430700054	WWW.NEUEGG.COM 800-390-1119 CA	539.97
07-30	07-28	55460292227205430700054	ATT*BUS PHONE PMT 800-660-3000 TX	43.02
07-30	07-27	55460292227205430700054	TRIVANTIS CORPORATION 513-9290188 OH	2,898.50
07-30	07-27	55460292227205430700054	TRIVANTIS CORPORATION 513-9290188 OH	7,860.00
07-31	07-30	55460292227205430700054	B & H PHOTO-VIDEO-MO/T 800-8479950 NY	260.28
07-31	07-30	55460292227205430700054	TRIVANTIS CORPORATION 513-9290188 OH	2,898.50
07-31	07-29	55460292227205430700054	GRASSHOPPER.COM/CHARGE NEEDHAM MA	58.91
08-02	08-02	55460292227205430700054	SERVER SUPPLY.COM INC 800-413-6889 NY	2,640.00 CR
08-02	08-01	55460292227205430700054	SOFTMART 08003281319 PA	8,605.17
08-02	07-31	55460292227205430700054	AUTOPAY/DISH NTWK 800-894-9131 CO	146.99
08-03	08-03	55460292227205430700054	CDW GOVERNMENT 800-750-4239 IL	662.93
08-03	08-02	55460292227205430700054	SUPPLY SAVERS 07329384000 NJ	1,542.00
08-03	08-01	55460292227205430700054	DLT SOLUTIONS 703-773- HERNDON VA	9,210.00
08-03	08-02	55460292227205430700054	AAA LASER 8007983628 MA	1,031.14
08-03	08-02	55460292227205430700054	WWW.NEUEGG.COM 800-390-1119 CA	1,329.63
08-03	08-02	55460292227205430700054	SOFTMART 08003281319 PA	2,996.50
08-03	08-02	55460292227205430700054	BLUEFISH WORK THE WOODLANDS TX	479.56
08-06	08-03	55460292227205430700054	STAPLS0109218995000001 SOUTH HACKENS NJ	38.90
08-06	08-04	55460292227205430700054	STAPLS0109244097000002 SOUTH HACKENS NJ	810.88
08-06	08-03	55460292227205430700054	OFFICE DEPOT #1170 800-463-3768 OH	58.98
08-06	08-03	55460292227205430700054	OFFICE DEPOT #5910 800-463-3768 PA	196.90
08-06	08-02	55460292227205430700054	CARTRIDGE SAVERS INC 608-2277283 WI	1,932.57
08-06	08-03	55460292227205430700054	DOCUMENT IMAGING DIMEN 630-5533131 IL	4,114.82
08-06	08-02	55460292227205430700054	IMPACT COMPUTERS HOLLYWOOD FL	639.50
08-06	08-02	55460292227205430700054	IMPACT COMPUTERS HOLLYWOOD FL	952.19
08-06	08-02	55460292227205430700054	NEW YORK INKJET, LLC BALDWIN NY	505.49



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 08-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-06	08-02		NEW YORK INKJET, LLC BALDWIN NY	183.60
08-06	08-02		DISCOUNT ELECTRONICS MAUSTIN TX	875.67
08-06	08-03		SHOPLIST.COM 08007573015 NY	75.30
08-06	08-04		DMI* DELL FEDERAL 800-727-1100 TX	458.91
08-06	08-04		DMI* DELL FEDERAL 800-727-1100 TX	101.98
08-06	08-04		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	24.02
08-06	08-03		ALLIANCE TECHNOLOGY GR HANOVER MD	3,250.00
08-07	08-06		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	51.00
08-07	08-06		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	255.00
08-07	08-07		COMCAST OF WASHINGTON 800-COMCAST DC	106.95
08-08	08-06		ATTN * 28/240632047 08003310500 GA	1,699.30
08-09	08-08		PREMIER & COMPANIES IN 02129471365 NY	471.92
08-10	08-09		AMAZON.COM AMZN.COM/BILL WA	190.66
08-10	08-10		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	209.99
08-10	08-09		CAPRICE ELECTRONICS 07182220436 NY	365.76
08-13	08-10		AUTOMATION AIDS INC 02164449100 PA	3,099.96
08-13	08-10		AUTOPAYDISH NITWK 800-894-9131 CO	118.99
08-14	08-13		GSA/FAS 703-605-5635 VA	29.57
08-14	08-14		DMI* DELL FEDERAL 800-727-1100 TX	7,308.84
08-14	08-14		DMI* DELL FEDERAL 800-727-1100 TX	458.91
08-14	08-14		VZWRLS/APOCC VISE 800-922-0204 NJ	430.10
08-15	08-06		TRIVANTIS CORPORATION 513-9290188 OH	2,898.50 CR
08-15	08-14		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	8.49
08-15	08-15		DMI* DELL FEDERAL 800-727-1100 TX	1,439.08
08-15	08-14		MARKERTEK VIDEO SUPPLY SAUGERTIES NY	75.25
08-17	08-16		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	51.00
08-17	08-16		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	51.00
08-17	08-16		AMAZON.COM AMZN.COM/BILL WA	29.97
08-17	08-15		DISH NETWORK-ONE TIME 800-894-9131 CO	146.99
Department: 05009 Total:				\$189,427.25
BEVERLY BROWN				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$9,732.67	\$0.00
				TOTAL ACTIVITY
				\$9,732.67
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-02	08-01	55547502215253214010287	ALL CITI TONER 07183020971 NY	1,372.09
08-02	08-01	55547502215253214010303	ALL CITI TONER 07183020971 NY	1,629.18
08-02	08-01	55547502215253214010501	ALL CITI TONER 07183020971 NY	678.30
08-06	08-05	85189932218980002330099	THE OFFICE PAL HOWELL NJ	2,148.36
08-06	08-05	85189932218980002330099	THE OFFICE PAL HOWELL NJ	3,904.74
Department: 05010 Total:				\$9,732.67
Division: 00005 Total:				\$199,159.92
DANIEL MAY				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$20,591.91	\$65.00
				TOTAL ACTIVITY
				\$20,556.91
Post Date	Tran Date	Reference Number	Transaction Description	Amount
07-20	07-19	55429502201849611735993	ARMA INTERNATIONAL 8004222762 KS	1,040.00
07-25	07-23	55420362206670329289982	WILLIAM S HEIN & COMPA BUFFALO NY	153.21
07-30	07-28	55432862210000456045096	THOMSON WEST-TCO 800-328-4880 MN	4,955.50



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 08-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
07-30	07-29	5543286221100608076931	AMAZON.COM AMZN.COM/BILL WA	54.29	
08-03	08-02	55436872215262155718874	BNA 1 ARLINGTON VA	1,415.00	
08-03	08-02	55436872215262155718940	BNA 5 ARLINGTON VA	7,370.00	
08-03	08-02	0000000004600004023000	*FINANCE CHARGE* CASH ADVANCE FEE	0.26	
08-03	08-02	0000000004600004023000	CASH ADVANCE FROM -	15.00	
08-06	08-02	000478168221100608076931	GEORGE WASHINGTON 001060 -ST. PAUL -MN	85.92	
08-06	08-04	000478168221100608076931	WILLIAM S HEIN & COMPA BUFFALO NY	65.00	
08-06	08-03	000478168221100608076931	ACRESOURCEC 3124000045 IL	44.49	
08-06	08-04	000478168221100608076931	AMAZON.COM AMZN.COM/BILL WA	85.58	
08-06	08-05	000478168221100608076931	AMAZON.COM AMZN.COM/BILL WA	51.58	
08-06	08-03	000478168221100608076931	MARQUIS WHO'S WHO LLC 09086731032 NJ	1,595.00	
08-08	08-06	000478168221100608076931	WORLD BANK BOOK STORE WASHINGTON DC	48.77	
08-08	08-07	000478168221100608076931	AMAZON.COM AMZN.COM/BILL WA	283.17	
08-08	08-07	000478168221100608076931	AMAZON.COM AMZN.COM/BILL WA	95.15	
08-08	08-07	000478168221100608076931	AMAZON.COM AMZN.COM/BILL WA	127.74	
08-08	08-07	000478168221100608076931	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	37.05	
08-10	08-08	000478168221100608076931	WORLD BANK BOOK STORE WASHINGTON DC	138.96	
08-10	08-09	000478168221100608076931	*FINANCE CHARGE* CASH ADVANCE FEE	0.85	
08-10	08-09	000478168221100608076931	CASH ADVANCE FROM -	50.00	
08-13	08-09	000478168221100608076931	KANSAS CITY BOARD 001061 -ST. PAUL -MN	46.32	
08-13	08-10	000478168221100608076931	WORLD BANK BOOK STORE WASHINGTON DC	61.48	
08-13	08-10	000478168221100608076931	AMAZON.COM AMZN.COM/BILL WA	28.97	
08-13	08-10	000478168221100608076931	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	21.08	
08-13	08-10	000478168221100608076931	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	113.11	
08-13	08-10	000478168221100608076931	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	80.87	
08-14	08-13	000478168221100608076931	BLP*BLOOMBERG-BRIEF 800-635-1200 NY	935.30	
08-14	08-14	000478168221100608076931	AMAZON.COM AMZN.COM/BILL WA	32.62	
08-14	08-13	000478168221100608076931	GEO GRAIN BOZEMAN MT	1,800.00	
08-15	08-14	000478168221100608076931	CEPSM OTTAWA ON (FOREIGN CURRENCY)	100.69	
08-17	08-15	85186872229980019704458	STUDENTS BOOK COMPANY WASHINGTON DC	85.95	
Department: 05013 Total:				\$20,656.91	
Division: 00007 Total:				\$20,656.91	
VENITA HILL					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$70.80	\$50.00	\$120.80
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-01	07-30	85101592213001405027059	METRO STAMP AND SEA ROCKVILL MD	69.95	
08-13	08-10	000000000046000007034030	*FINANCE CHARGE* CASH ADVANCE FEE	0.85	
08-13	08-10	000000000046000007034000	CASH ADVANCE FROM -	50.00	
THE PILZER-GULLICK001056 -ST. PAUL -MN					
Department: 05016 Total:				\$120.80	
Division: 00009 Total:				\$120.80	
JANIS WELLS HILL					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$403.56	\$0.00	\$403.56



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 08-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
07-25	07-24	00000000000000000000	DEPARTMENT OF DEFENSE DC	55.50
07-26	07-24	00000000000000000000	DEPARTMENT OF DEFENSE DC	73.00
08-03	08-02	00000000000000000000	DEPARTMENT OF DEFENSE DC	60.01
08-06	08-02	00000000000000000000	DEPARTMENT OF DEFENSE DC	84.03
08-09	08-07	00000000000000000000	DEPARTMENT OF DEFENSE VA	15.99
08-09	08-07	00000000000000000000	DEPARTMENT OF DEFENSE VA	15.99
08-15	08-13	00000000000000000000	DEPARTMENT OF DEFENSE DC	99.04

Department: 05017 Total:	\$403.56
Division: 00010 Total:	\$403.56



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000009 3 SP 106481786518539 S  
CFTC  
ATTN: SONDA OWENS  
1156 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 09-19-2012  
AMOUNT DUE \$33,183.06  
NEW BALANCE \$33,183.06  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$  
Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	+ Checks	Check + Fee	- Credits	= Current Activity	Payments	Account Balance
Company Total	\$4,460.68	\$328,563.90	\$0.00	\$19,741.45	\$335.65	\$5,748.44	\$342,892.56	\$314,170.18	\$33,183.06

Default Accounting Code:				
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER		ACCOUNT SUMMARY	
	[REDACTED]		PREVIOUS BALANCE	4,460.68
			PURCHASES & OTHER CHARGES	328,563.90
			SELF ASSESSED INTEREST PENALTY	.00
	STATEMENT DATE	DISPUTED AMOUNT	CHECKS	19,741.45
	09/19/12	.00	CHECK FEE	335.65
	AMOUNT DUE  33,183.06		CREDITS	5,748.44
			CURRENT BILLING ACTIVITY	342,892.56
PAYMENTS			314,170.18	
ACCOUNT BALANCE			33,183.06	
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335				



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 09-19-2012

CORPORATE ACCOUNT ACTIVITY					
CFTC [REDACTED]			TOTAL CORPORATE ACTIVITY \$314,170.16CR		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-20	7556963223323311111127	WIRE PAYMENT	4,460.68	PY
08-21	08-21	7556963223423411111124	WIRE PAYMENT	9,793.18	PY
08-22	08-22	7556963223523511111146	WIRE PAYMENT	7,572.73	PY
08-23	08-23	7556963223623611111168	WIRE PAYMENT	7,413.01	PY
08-24	08-24	7556963223723711111124	WIRE PAYMENT	7,415.31	PY
08-27	08-27	7556963224024011111131	WIRE PAYMENT	61,392.31	PY
08-29	08-29	7556963224224211111127	WIRE PAYMENT	2,283.06	PY
08-29	08-28	7556963224224211111135	WIRE PAYMENT	16,754.78	PY
08-30	08-30	7556963224324311111124	WIRE PAYMENT	7,711.62	PY
08-31	08-31	7556963224424411111121	WIRE PAYMENT	9,556.92	PY
09-04	09-04	7556963224824811111128	WIRE PAYMENT	5,338.35	PY
09-04	09-04	7556963224824811111136	WIRE PAYMENT	38,952.14	PY
09-06	09-05	7556963224924911111129	WIRE PAYMENT	4,403.49	PY
09-07	09-07	7556963225125111111126	WIRE PAYMENT	7,410.33	PY
09-10	09-10	7556963225425411111127	WIRE PAYMENT	10,685.14	PY
09-11	09-11	7556963225525511111123	WIRE PAYMENT	16,889.96	PY
09-12	09-12	7556963225625611111161	WIRE PAYMENT	8,199.83	PY
09-13	09-13	7556963225725711111135	CREDIT PAYMENT	17,135.23	PY
09-14	09-14	7556963225825811111215	WIRE PAYMENT	5,191.73	PY
09-17	09-17	75569632261261111111446	WIRE PAYMENT	23,102.71	PY
09-18	09-18	75569632262262111111120	WIRE PAYMENT	22,856.06	PY
09-19	09-19	75569632263263111111218	WIRE PAYMENT	19,551.59	PY

NEW ACTIVITY					
MONICA GREEN [REDACTED]		CREDITS \$0.00	PURCHASES \$18,883.12	CASH ADV \$2,165.50	TOTAL ACTIVITY \$21,048.62
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-17	[REDACTED]	GORE BROS RPRTNG & VID 04108373027 MD	175.00	
08-20	08-17	[REDACTED]	CORPORATE LANGUAGE SER 212-7664111 NY	90.00	
08-20	08-17	[REDACTED]	ALLIANCE REPORTING SER MINEOLA NY	998.50	
08-20	08-17	[REDACTED]	ALLIANCE REPORTING SER MINEOLA NY	1,408.00	
08-20	08-17	[REDACTED]	RESPONSIVE DATA SOLUTI WASHINGTON DC	547.52	
08-21	08-20	[REDACTED]	TRANSPECT 212689555 NY	901.00	
08-21	08-20	[REDACTED]	SERVICE OF PROCESS MIAMI FL	570.00	
08-28	08-27	[REDACTED]	*FINANCE CHARGE* CASH ADVANCE FEE	0.43	
08-28	08-27	[REDACTED]	CASH ADVANCE FROM -	25.00	
08-29	08-28	00000000004600005033000	STATE OF ALASKA 001135 -ST. PAUL -MN		
08-29	08-28	00000000004600005033000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09	
			CASH ADVANCE FROM -	5.00	
08-29	08-28	00000000004600007037000	CLERK DC COURT OF 001128 -ST. PAUL -MN		
08-29	08-28	00000000004600007037000	*FINANCE CHARGE* CASH ADVANCE FEE	12.07	
			CASH ADVANCE FROM -	710.00	
08-30	08-29	[REDACTED]	ALBERTO DIAZ 001136 -ST. PAUL -MN		
08-30	08-29	[REDACTED]	STRESKI REPORTING AND WHEELING WV	845.50	
08-30	08-29	[REDACTED]	CONTINENTAL COURT RE- 07135225080 TX	246.43	
08-30	08-29	[REDACTED]	FERNANDEZ & ASSOCIATES MIAMI FL	1,322.20	
08-30	08-29	[REDACTED]	FERNANDEZ & ASSOCIATES MIAMI FL	1,422.40	
08-30	08-29	[REDACTED]	ALDERSON REPORTING WASHINGTON DC	382.25	
08-31	08-29	[REDACTED]	GORE PERRY GATEWAY & L SAINT LOUIS MO	1,069.85	
08-31	08-30	[REDACTED]	SO "DOWNTOWN PROCESS S SUNRISE FL	90.00	
08-31	08-30	[REDACTED]	CAPITOL PROCESS SERVIC 202-6670050 VA	195.00	
08-31	08-29	[REDACTED]	ALLIANCE REPORTING SER MINEOLA NY	514.75	



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NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-31	08-29		ALLIANCE REPORTING SER MINEOLA NY	1,313.50
08-31	08-29		ALLIANCE REPORTING SER MINEOLA NY	672.25
08-31	08-29		ALLIANCE REPORTING SER MINEOLA NY	856.75
08-31	08-29		ALLIANCE REPORTING SER MINEOLA NY	1,927.75
08-31	08-29		E Z MESSENGER TUCSON AZ	100.00
08-31	08-29		E Z MESSENGER PHOENIX AZ	138.00
09-07	09-06		*FINANCE CHARGE* CASH ADVANCE FEE	0.09
09-07	09-06		CASH ADVANCE FROM -	5.00
			CLERK APPELLATE ID001132 -ST. PAUL -MN	
09-10	09-07	85247712251980014551099	TYPEWRITE WORD PROCESS SARATOGA SPRI NY	173.16
09-12	09-11	55429502756849435004398	PAYPAL *LAWSONLEGAL 4029357733 CA	75.00
09-14	09-13	0000000004600004002000	*FINANCE CHARGE* CASH ADVANCE FEE	14.38
09-14	09-13	0000000004600004002000	CASH ADVANCE FROM -	646.00
			THOMPSON COURT REP001137 -ST. PAUL -MN	
09-17	09-14		PAYPAL *LAWSONLEGAL 4029357733 CA	75.00
09-17	09-14		PAYPAL *ATLASPROSER 4029357733 CA	250.00
09-17	09-14		PAYPAL *ATLASPROSER 4029357733 CA	75.00
09-17	09-14		PAYPAL *DIRECTPROCE 4029357733 CA	130.00
09-17	09-14		RESPONSIVE DATA SOLUTI WASHINGTON DC	422.70
09-17	09-14		ANDERSON COURT REPORTI 703-5197180 VA	1,563.09
09-17	09-14		ANDERSON COURT REPORTI 703-5197180 VA	695.58
09-17	09-14		*FINANCE CHARGE* CASH ADVANCE FEE	9.77
09-17	09-14		CASH ADVANCE FROM -	574.50
			MAGGIOLI REPORTING001138 -ST. PAUL -MN	
<b>MELISSA STROM</b>				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$19,064.68	\$6,805.11
				TOTAL ACTIVITY
				\$25,869.79
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-23	08-22	85247712235980033999008	SHELLEY PLATE REPORTIN CHICAGO IL	1,314.50
08-30	08-29	00000000004600005004000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09
08-30	08-29	00000000004600005004000	CASH ADVANCE FROM -	5.00
			CLERK DC COURT OF 001367 -ST. PAUL -MN	
08-30	08-29	00000000004600009005000	*FINANCE CHARGE* CASH ADVANCE FEE	3.66
08-30	08-29	00000000004600009005000	CASH ADVANCE FROM -	215.15
			MICHELLE KACZYNSKI001366 -ST. PAUL -MN	
08-30	08-29	00000000004600013040000	*FINANCE CHARGE* CASH ADVANCE FEE	12.16
08-30	08-29	00000000004600013040000	CASH ADVANCE FROM -	715.00
			PAGE MEDIATION 001360 -ST. PAUL -MN	
08-31	08-30	00000000004600003002000	*FINANCE CHARGE* CASH ADVANCE FEE	19.11
08-31	08-30	00000000004600003002000	CASH ADVANCE FROM -	1,124.10
			SUSAN SOBLE ASSOCI001362 -ST. PAUL -MN	
08-31	08-30	00000000004600003003000	*FINANCE CHARGE* CASH ADVANCE FEE	26.29
08-31	08-30	00000000004600003003000	CASH ADVANCE FROM -	1,546.61
			SUSAN SOBLE ASSOC 001365 -ST. PAUL -MN	
08-31	08-30	00000000004600003004000	*FINANCE CHARGE* CASH ADVANCE FEE	17.19
08-31	08-30	00000000004600003004000	CASH ADVANCE FROM -	1,011.30
			SUSAN SOBLE ASSOC 001364 -ST. PAUL -MN	
08-31	08-30	00000000004600003005000	*FINANCE CHARGE* CASH ADVANCE FEE	7.19
08-31	08-30	00000000004600003005000	CASH ADVANCE FROM -	422.80
			SUSAN SOBLE ASSOC 001363 -ST. PAUL -MN	
08-31	08-30	00000000004600009037000	*FINANCE CHARGE* CASH ADVANCE FEE	0.91
08-31	08-30	00000000004600009037000	CASH ADVANCE FROM -	53.35
			DIANE PEEDE 001361 -ST. PAUL -MN	
08-31	08-30	00000000004600010028000	*FINANCE CHARGE* CASH ADVANCE FEE	5.16
08-31	08-30	00000000004600010028000	CASH ADVANCE FROM -	303.80
			COMBS REPORTING IN001355 -ST. PAUL -MN	
09-03	08-31	00000000004600010013000	*FINANCE CHARGE* CASH ADVANCE FEE	0.12



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NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-03	08-31	0000000004600010013000	CASH ADVANCE FROM -	7.00
09-05	09-04	00000000004600006008000	CLERK COURT OF APP001368 -ST. PAUL -MN	
09-05	09-04	00000000004600006008000	*FINANCE CHARGE* CASH ADVANCE FEE	2.04
09-05	09-04	00000000004600006008000	CASH ADVANCE FROM -	120.00
09-05	09-04	00000000004600006009000	SERVICE OF PROCESS001358 -ST. PAUL -MN	
09-05	09-04	00000000004600006009000	*FINANCE CHARGE* CASH ADVANCE FEE	3.83
09-05	09-04	00000000004600006009000	CASH ADVANCE FROM -	223.00
09-07	09-06	00000000004600015025000	SERVICE OF PROCESS001359 -ST. PAUL -MN	
09-07	09-06	00000000004600015025000	*FINANCE CHARGE* CASH ADVANCE FEE	2.65
09-07	09-06	00000000004600015025000	CASH ADVANCE FROM -	155.00
09-10	09-06	75430062251920687996238	MAGSOLI REPORTING001357 -ST. PAUL -MN	
09-10	09-06	75430062251920687996238	PERIODICO REFORMA CIUDAD DE ME	696.42
09-10	09-07	00000000004600013038000	(FOREIGN CURRENCY) 9,048.00 MXN 09/10 (RATE) 12.9922	
09-10	09-07	00000000004600013038000	*FINANCE CHARGE* CASH ADVANCE FEE	8.93
09-10	09-07	00000000004600013038000	CASH ADVANCE FROM -	525.00
09-10	09-07	00000000004600013039000	ACCURATE LANGUAGE 001354 -ST. PAUL -MN	
09-10	09-07	00000000004600013039000	*FINANCE CHARGE* CASH ADVANCE FEE	6.38
09-10	09-07	00000000004600013039000	CASH ADVANCE FROM -	375.00
09-14	09-13	00000000004600013039000	ACCURATE LANGUAGE 001353 -ST. PAUL -MN	
09-14	09-13	00000000004600013039000	SUNBELT REPORTING SERV 02816864838 TX	1,433.80
09-14	09-13	00000000004600013039000	SWCR 8636885000 FL	1,703.50
09-14	09-13	00000000004600013039000	STERLING MADISON CO 408-2953300 CA	75.00
09-14	09-13	00000000004600013039000	STERLING MADISON CO 408-2953300 CA	75.00
09-14	09-13	00000000004600013039000	STERLING MADISON CO 408-2953300 CA	140.00
09-14	09-13	00000000004600013039000	STERLING MADISON CO 408-2953300 CA	140.00
09-17	09-13	00000000004600013039000	CONTINENTAL COURT RE- 07135225080 TX	1,830.72
09-17	09-13	00000000004600013039000	SEATTLE DEPOSITION REP 206-6626681 WA	489.50
09-17	09-13	00000000004600013039000	IN DEMAND DOCUMENT SER CHICAGO IL	1,944.60
09-17	09-13	00000000004600013039000	IN DEMAND DOCUMENT SER CHICAGO IL	4,867.33
09-17	09-13	00000000004600013039000	IN DEMAND DOCUMENT SER CHICAGO IL	465.68
09-17	09-13	00000000004600013039000	IN DEMAND DOCUMENT SER CHICAGO IL	1,173.86
09-17	09-13	00000000004600013039000	IN DEMAND DOCUMENT SER CHICAGO IL	844.00
09-17	09-13	00000000004600013039000	IT'S YOUR SERVE CHICAGO IL	69.00
09-17	09-13	00000000004600013039000	FLORIDA COURT REPORTIN WEST PALM BEA FL	438.58
09-17	09-13	00000000004600013039000	FLORIDA COURT REPORTIN WEST PALM BEA FL	469.05
09-17	09-13	00000000004600013039000	LEX REPORTING SAN PEDRO CA	310.78
09-19	09-18	00000000004600013039000	TOOKER AND ANTZ 04153920650 CA	467.65
LEA-ANN BIGELOW				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$5,954.34	\$5,000.00
				TOTAL ACTIVITY
				\$10,954.34
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-27	08-24	00000000004600013028000	RICOH LEGAL DOCUMENT 5 08005650283 PA	4,857.38
08-27	08-26	00000000004600013028000	SURVEYMONKEY.COM 971-2445555 CA	71.97
09-12	09-11	00000000004600013028000	INJURER SACRAMENTO CA	99.99
09-13	09-11	00000000004600013028000	GARP RISK ACADEMY LLC 02017197210 NJ	840.00
09-19	09-18	00000000004600013028000	*FINANCE CHARGE* CASH ADVANCE FEE	34.00
09-19	09-18	00000000004600013028000	CASH ADVANCE FROM -	2,000.00
09-19	09-18	00000000004600013028000	CHARLOTTE A OHLMI001007 -ST. PAUL -MN	
09-19	09-18	00000000004600013028000	*FINANCE CHARGE* CASH ADVANCE FEE	51.00
09-19	09-18	00000000004600013028000	CASH ADVANCE FROM -	3,000.00
09-19	09-18	00000000004600013028000	CHARLOTTE A OHLMI001008 -ST. PAUL -MN	
Department: 05001 Total:				\$57,872.75



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NEW ACTIVITY					
SCOTT WILLIAMSON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$233.70	\$85.00	\$318.70
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-16	55458852230206540900495	HOTEL AT KIRKWOOD CTR CEDAR RAPIDS IA 0000022265 ARRIVAL: 08-13-12	186.00	
09-12	09-11	25535052256102001355895	NJ BUSINESS SERVIC HAMILTON NJ	6.25	
09-13	09-12	0000000004000009019000	FINANCE CHARGE CASH ADVANCE FEE	1.45	
09-13	09-12	0000000000400009019000	CASH ADVANCE FROM	85.00	
09-19	09-18	55417342263152631690250	STERLING MADISON C001040 -ST. PAUL -MN IOWA JUDICIAL BRANCH 2 515-2426206 IA	40.00	
Department: 05002 Total:				\$318.70	
Division: 00001 Total:				\$58,191.45	
JANIS KELLY		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$25.30	\$15,797.24	\$0.00	\$15,771.94
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-18	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	620.47	
08-20	08-18	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	19.30	
08-20	08-17	[REDACTED]	ERGO DIRECT 888-3748347 NY	95.80	
08-21	08-20	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	508.29	
08-21	08-20	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	81.44	
08-22	08-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	244.98	
08-23	08-22	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	64.99	
08-27	08-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	29.94	
08-27	08-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	83.70	
08-27	08-24	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	226.62	
08-28	08-27	[REDACTED]	OMNIFICS ALEXANDRIA VA	260.00	
08-29	08-28	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	56.96	
08-31	08-30	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	649.16	
08-31	08-30	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	485.64	
08-31	08-30	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	834.17	
08-31	08-30	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	14.04	
09-03	08-31	[REDACTED]	OFFICE DEPOT #1214 800-463-3768 GA	59.98	
09-05	09-04	[REDACTED]	BUYONLINENOW.COM 08887181134 MN	321.60	
09-10	09-08	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	373.48	
09-10	09-08	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	327.80	
09-10	09-08	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	66.72	
09-10	09-07	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	276.63	
09-10	09-06	[REDACTED]	CORT FURNITURE-GSA #99 CAPITOL HEIGH MD	3,901.96	
09-10	09-04	[REDACTED]	NATIONAL MAILING SYSTE DHARDY@NATION VA	1,161.00	
09-10	09-07	[REDACTED]	A & A ART FRAME WASHINGTON DC	636.00	
09-11	09-10	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	75.00	
09-11	09-10	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	383.30	
09-11	09-10	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	7.58	
09-11	09-10	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	108.30	
09-11	09-10	[REDACTED]	OFFICE DEPOT #1078 800-463-3768 WA	25.30	
09-13	09-12	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	87.98	
09-13	09-12	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	36.45	
09-13	09-12	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	346.20	
09-14	09-13	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	97.24	
09-14	09-13	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	189.41	
09-17	09-14	[REDACTED]	GOVERNMENT MOVERS INC HYATTSVILLE MD	2,423.71	
09-19	09-17	[REDACTED]	OFFICE DEPOT #1078 800-463-3768 WA	25.30 CR	
09-19	09-18	[REDACTED]	AOP BUSINESS SERVICES 02025260586 DC	635.90	



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NEW ACTIVITY						
LOU BERMAN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$3,999.32	\$2,058.00	\$6,057.32	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-20	08-17	85504992237900019508481	ABC IMAGING WASHINGTON DC			103.24
08-23	08-22	55429502235849344251888	MARINELOCK LLC 9062972500 MI			32.01
08-30	08-29	00000000004600010039000	*FINANCE CHARGE* CASH ADVANCE FEE			34.99
08-30	08-29	00000000004600010039000	CASH ADVANCE FROM -			2,058.00
08-31	08-29	25259502243243165483806	WATER INNOVATIONS 001005 - ST. PAUL -MN			71.66
09-07	09-05	55421352750158164883620	DOMINION ELECTRIC SUPP 202-7890500 DC			13.99
09-10	09-07	55436872251162514348212	DISTRICT HARDWARE - TH WASHINGTON DC			12.33
09-11	09-10	85247712254980001230937	HOOKERS REPAIR SERVICE 562-5312203 CA			950.00
09-19	09-18	25536062263101035543584	GALAXY PAINTING AND DE WHEATON MD			2,701.10
09-19	09-18	25536062263101035543584	BLK/ RAPID REFILL NEWINGTON VA			2,701.10
LESTER HARDING		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$905.00	\$0.00	\$905.00	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
09-11	09-10	55436872254732545729197	KASILE SYSTEMS 703-5288800 VA			905.00
DENISE HAMM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$1,939.80	\$0.00	\$1,939.80	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-27	08-23	55490402237261710930019	AVIO GALLERIES INC. LURAY VA			776.80
08-28	08-27	85140512240900014200056	NATIONAL MAILING SYSTE DHARDY@NATION VA			1,163.00
HENRY HANSEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$57.49	\$440.84	\$498.33	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-27	08-25	85101652239980004010255	AAA FULTON SUPPLY INC MANHATTAN NY			50.00
09-03	08-31	00000000004600009033000	*FINANCE CHARGE* CASH ADVANCE FEE			7.49
09-03	08-31	00000000004600009033000	CASH ADVANCE FROM -			440.84
			UNITED PARCEL SERV001056 - ST. PAUL -MN			
RYREE THOMAS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$310.97	\$1,794.14	\$0.00	\$1,483.17	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
08-21	08-20	55233002233162337466895	MOVER SUPPLY HOUSE INC 718-6711200 NY			293.95
08-24	08-23	05436842237500034980375	OFFICE DEPOT #5910 800-463-3768 PA			239.88
08-27	08-25	05436842239100148119042	OFFICE DEPOT #5910 800-463-3768 PA			118.65



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-30	08-28		SHRED-IT-NEW YORK 08006979733 NY	125.00	CR
08-30	08-28		SHRED-IT-NEW YORK 08006979733 NY	60.00	CR
08-31	08-30		OFFICE DEPOT #5910 800-463-3768 PA	734.20	
08-31	08-30		OFFICE DEPOT #5910 800-463-3768 PA	158.46	
09-07	09-05		OFFICE DEPOT #5910 800-463-3768 PA	123.97	CR
09-19	09-18		CALDERON LOCKSMITH NEW YORK NY	131.00	
09-19	09-18		CALDERON LOCKSMITH NEW YORK NY	117.00	
SARAH JAMBROSEK			CREDITS	PURCHASES	CASH ADV
[REDACTED]			\$0.00	\$7,483.88	\$0.00
			TOTAL ACTIVITY		
			\$7,483.88		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-21	08-20		GARVEY'S OFFICE PRODUC 08475881690 IL	2,074.50	
08-22	08-21		GARVEY'S OFFICE PRODUC 08475881690 IL	931.37	
08-22	08-21		GARVEY'S OFFICE PRODUC 08475881690 IL	910.75	
08-23	08-21		CORPORATE OFFICE SOLUT 703-3522029 VA	485.96	
08-24	08-23		GARVEY'S OFFICE PRODUC 08475881690 IL	449.50	
08-24	08-23		GARVEY'S OFFICE PRODUC 08475881690 IL	693.97	
08-27	08-24		GARVEY'S OFFICE PRODUC 08475881690 IL	651.92	
08-30	08-30		TAB PRODUCTS JETER SYS 920-387-1945 WI	301.78	
08-31	08-30		GSA/FAS 703-605-5635 VA	64.50	
08-31	08-30		GSA/FAS 703-605-5635 VA	59.76	
08-31	08-30		GSA/FAS 703-605-5635 VA	74.75	
08-31	08-30		GSA/FAS 703-605-5635 VA	46.30	
08-31	08-30		GSA/FAS 703-605-5635 VA	176.40	
08-31	08-30		GSA/FAS 703-605-5635 VA	351.90	
08-31	08-30		GSA/FAS 703-605-5635 VA	166.40	
09-05	09-04		GSA/FAS 703-605-5635 VA	44.10	
THOMAS WILLIAMS			CREDITS	PURCHASES	CASH ADV
[REDACTED]			\$123.04	\$8,130.73	\$0.00
			TOTAL ACTIVITY		
			\$8,607.69		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-17		MIDWEST MOVING AND STO ELK GROVE VIL IL	2,994.00	
08-23	08-22		GARVEY'S OFFICE PRODUC 08475881690 IL	2,390.24	
08-30	08-29		GARVEY'S OFFICE PRODUC 08475881690 IL	123.04	CR
08-30	08-29		GARVEY'S OFFICE PRODUC 08475881690 IL	78.68	
09-05	09-04		HILL MECHANICAL SERVIC 8474515065 IL	780.11	
09-17	09-14		GARVEY'S OFFICE PRODUC 08475881690 IL	901.42	
09-17	09-14		GARVEY'S OFFICE PRODUC 08475881690 IL	986.28	
Department: 05004 Total:				\$42,147.13	
MARGIE YATES			CREDITS	PURCHASES	CASH ADV
[REDACTED]			\$0.00	\$1,565.85	\$50.00
			TOTAL ACTIVITY		
			\$1,615.85		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-24	08-24	25536062237105006785606	AED SUPERSTORE WOODRUFF WI	1,565.00	



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-05	09-04	00000000004600002019000	*FINANCE CHARGE* CASH ADVANCE FEE	0.85	
09-05	09-04	00000000004600002019000	CASH ADVANCE FROM - LAFAYETTE CENTER P001055 -ST. PAUL -MN	50.00	
[REDACTED]		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$5,268.60	\$450.00	\$5,718.60
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-21	08-20	[REDACTED]	OFFICE DEPOT #1090 800-463-3768 MA	485.36	
08-22	08-21	[REDACTED]	OFFICE DEPOT #1090 800-463-3768 MA	19.99	
08-24	08-24	[REDACTED]	EPSON *STORE 800-873-7766 CA	264.96	
08-27	08-24	[REDACTED]	OFFICE DEPOT #1080 800-463-3768 CO	143.97	
08-28	08-27	[REDACTED]	OFFICE DEPOT #1090 800-463-3768 MA	634.65	
08-30	08-29	[REDACTED]	*FINANCE CHARGE* CASH ADVANCE FEE	7.65	
08-30	08-29	[REDACTED]	CASH ADVANCE FROM	450.00	
			BOARD OF TRADE BUI001107 -ST. PAUL -MN		
09-31	08-30	[REDACTED]	OFFICE DEPOT #1090 800-463-3768 MA	368.39	
08-31	08-30	[REDACTED]	OFFICE DEPOT #1105 800-463-3768 IL	19.47	
09-03	08-31	[REDACTED]	OFFICE DEPOT #1170 800-463-3768 OH	109.20	
09-05	09-04	[REDACTED]	CSA/AS 703-605-5635 VA	25.47	
09-10	09-07	[REDACTED]	OFFICE DEPOT #1090 800-463-3768 MA	864.78	
09-10	09-06	[REDACTED]	2/90 SIGN SYSTEMS GRAND RAPIDS MI	146.73	
09-12	09-07	[REDACTED]	WATER FILTERS ZUMBROTA MN	267.01	
09-13	09-12	[REDACTED]	OFFICE DEPOT #1090 800-463-3768 MA	1,024.75	
09-14	09-13	[REDACTED]	OFFICE DEPOT #1090 800-463-3768 MA	374.98	
09-14	09-13	[REDACTED]	OFFICE DEPOT #1090 800-463-3768 MA	98.64	
09-14	09-13	[REDACTED]	RAIDER FIRE PROTECTION 818-7016518 CA	161.55	
09-14	09-13	[REDACTED]	THEWATERALARM.COM 08015017929 UT	54.05	
Department: 05005 Total:				\$7,334.45	
Division: 00003 Total:				\$49,491.58	
NICHOLAS GRAHAM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$350.00	\$0.00	\$350.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-17	85104852232900013701306	WENDELLA SIGHTSEEING B CHICAGO IL	350.00	
SONDA B OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$49,730.68	\$2,687.00	\$52,417.68
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-17	55446412230200733300025	GU LAW LIBRARY WASHINGTON DC	150.00	
08-23	08-22	75418232235617034868302	SURVEYMONKEY.COM 971-2445555 CA	24.00	
08-24	08-22	25265862236236293754905	PORTFOLIO MEDIA INC 212-5376331 NY	12,960.00	
09-07	09-06	25428652250251012095708	B & H PHOTO VIDEO-MQ/T 800-9479950 NY	3,190.00	
09-13	09-12	00000000004600018025000	*FINANCE CHARGE* CASH ADVANCE FEE	45.68	



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Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-13	09-12	0000000004600018025000	CASH ADVANCE FROM - THE DESIGN POND 001134 -ST. PAUL -MN	2,687.00	
09-14	09-13	55429502258027372119127	COURT CALL *#5142883 03103420888 CA	65.00	
09-16	09-14	5550802261029446844376	FIRST GRAIN 07275854090 TX	16,500.00	
09-19	09-18	55480772263286485500015	FUTURE WORK PLACE LLC 02127341589 NY	16,796.00	
Department: 05007 Total:				\$52,767.68	
Division: 00004 Total:				\$52,767.68	
ANDRIETTA MINTER		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$3,770.25	\$105,825.00	\$0.00	\$102,094.75
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-17	55429502258027372119127	THEREGGROUP 2024663205 VA	715.00	
08-20	08-17	5518887444723 DC	THE INSTITUTE FOR FINA WASHINGTON DC DC	495.00	
08-22	08-20	5520773627744623 DC	MANAGEMENT CONCEPTS TYSONS CORNER VA	739.00	
08-22	08-20	5520773627744623 DC	MANAGEMENT CONCEPTS TYSONS CORNER VA	629.00	
08-22	08-20	5520773627744623 DC	MANAGEMENT CONCEPTS TYSONS CORNER VA	899.00	
08-22	08-20	5520773627744623 DC	MANAGEMENT CONCEPTS TYSONS CORNER VA	1,029.00	
08-22	08-21	55480772263286485500015	HUMAN RESOURCES INSTIT 301-7495600 MD	735.00	
08-22	08-21	55480772263286485500015	GRADUATE SCHOOL REG 08887444723 DC	595.00	
08-23	08-22	55480772263286485500015	GRADUATE SCHOOL REG 08887444723 DC	945.00	
08-23	08-22	55480772263286485500015	GRADUATE SCHOOL REG 08887444723 DC	1,175.00	
08-23	08-22	55480772263286485500015	INTERNATIONAL PUBLIC M 703-549-7100 VA	879.00	
08-24	08-22	55480772263286485500015	GLOBAL FINANCIAL MARKE JERICHO NY	18,000.00	
08-24	08-23	55480772263286485500015	NCS PEARSON 800-843-0019 MN	24,000.00	
08-24	08-23	55480772263286485500015	ILLINOIS CPA FOUNDATIO 03129930407 IL	290.00	
08-24	08-23	55480772263286485500015	ILLINOIS CPA FOUNDATIO 03129930407 IL	250.00	
08-24	08-22	5518887444723 DC	THE INSTITUTE FOR FINA WASHINGTON DC DC	495.00	
08-24	08-22	5518887444723 DC	THE INSTITUTE FOR FINA WASHINGTON DC DC	495.00	
08-24	08-22	5518887444723 DC	THE INSTITUTE FOR FINA WASHINGTON DC DC	495.00	
08-27	08-24	55480772263286485500015	FEDERAL EMPLOYMENT LAW WELLFLEET MA	1,570.00	
08-29	08-28	55480772263286485500015	HUMAN RESOURCES INSTIT 301-7495600 MD	735.00	
08-30	08-29	55480772263286485500015	WK F*WK FINANCIAL SRVS 800-552-9410 MN	1,395.00	
08-31	08-30	55480772263286485500015	ACFE 05124789000 TX	2,045.00	
08-31	08-30	55480772263286485500015	ACFE 05124789000 TX	2,045.00	
08-31	08-29	55480772263286485500015	CHICAGO MERCNTL EXCHNG 08003313332 IL	15,000.00	
09-03	08-31	55480772263286485500015	GKN 0000006UJ9AJGCV 800-268-7737 NC	3,320.25 CR	
09-05	09-04	55480772263286485500015	ACAMS 3053730020 FL	1,145.00	
09-06	09-05	55480772263286485500015	OPM-FISD WASHINGTON DC	300.00	
09-06	09-05	55480772263286485500015	EUROMONEY II PLC ONL LONDON GBR	4,200.00	
09-06	09-05	55480772263286485500015	GRADUATE SCHOOL REG 08887444723 DC	1,095.00	
09-06	09-05	55480772263286485500015	GRADUATE SCHOOL REG 08887444723 DC	1,095.00	
09-07	09-05	55480772263286485500015	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
09-07	09-06	55480772263286485500015	AMERICAN BAR ASSOCIATI 800-2852221 IL	120.00	
09-10	09-07	55480772263286485500015	LEARNING TREE INTERNAT RESTON VA	1,592.00	
09-10	09-07	55480772263286485500015	THEREGGROUP 2024663205 VA	715.00	
09-10	09-06	55480772263286485500015	THE INSTITUTE FOR FINA WASHINGTON DC DC	550.00	
09-10	09-07	55480772263286485500015	FINANCIAL MARKETS ASSO WASHINGTON DC	650.00	
09-11	09-10	55480772263286485500015	ISDA 212-901-6000 NY	287.50	
09-11	09-10	55480772263286485500015	ISDA 212-901-6000 NY	287.50	
09-11	09-10	55480772263286485500015	EDUCATIONAL FOUNDATION 03149977966 MO	344.00	
09-11	09-10	55480772263286485500015	EDUCATIONAL FOUNDATION 03149977966 MO	79.00	
09-11	09-10	55480772263286485500015	EDUCATIONAL FOUNDATION 03149977966 MO	169.00	
09-11	09-10	55480772263286485500015	EDUCATIONAL FOUNDATION 03149977966 MO	169.00	
09-11	09-10	55480772263286485500015	MCGRAW HILL PLATTS 800-355-2930 NY	955.00	
09-12	09-10	55480772263286485500015	MANAGEMENT CONCEPTS TYSONS CORNER VA	739.00	
09-12	09-10	55480772263286485500015	COMPUTER CONSULTANTS C WASHINGTON DC	249.00	



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09-12	09-10	05436842250100144063172	COMPUTER CONSULTANTS C WASHINGTON DC	249.00	
09-12	09-11	05436842250100144063172	ILLINOIS INSTITUTE 0312567332 IL	975.00	
09-14	09-12	05436842250100144063172	EMERGENT PERFORMANCE S RESTON VA	11,500.00	
09-17	09-15	05436842250100144063172	AMERICAN BAR ASSOCIATI 800-2852221 IL	185.00	
09-18	09-17	05436842250100144063172	ASSOCIATION OF GOVERN 703-6846931 VA	575.00	
09-18	09-17	05436842250100144063172	FEDERAL EMPLOYMENT LAW WELFLEET MA	380.00	
09-19	09-10	05436842250100144063172	FUTURES INDUSTRY ASSOC 202-4665460 DC	225.00 CR	
09-19	09-10	05436842250100144063172	FUTURES INDUSTRY ASSOC 202-4665460 DC	225.00 CR	
09-19	09-18	05436842250100144063172	NARA NWML TRAINING 817-551-2004 MD	750.00	
LADAWN MURCHISON					
			CREDITS \$0.00	PURCHASES \$1,020.00	CASH ADV \$0.00
					TOTAL ACTIVITY \$1,020.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-07	09-05	05436842250100144063172	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
09-07	09-05	05436842250100144063172	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
09-07	09-05	05436842250100144063339	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
GWYNTHA WATSON					
			CREDITS \$1,439.08	PURCHASES \$71,074.58	CASH ADV \$0.00
					TOTAL ACTIVITY \$69,635.50
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-20	08-16	05436842250100144063172	DISCOUNT ELECTRONICS M AUSTIN TX	595.37	
08-20	08-17	05436842250100144063172	AMAZON.COM AMZN.COM/BILL WA	248.98	
08-21	08-20	05436842250100144063172	LYME COMPUTER SYSTEMS 603-795-4000 NH	458.19	
08-22	08-21	05436842250100144063172	DTV DIRECTV SERVICE 800-347-3288 CA	234.99	
08-22	08-22	05436842250100144063172	AMAZON.COM AMZN.COM/BILL WA	359.98	
08-22	08-22	05436842250100144063172	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	40.48	
08-22	08-22	05436842250100144063172	ATT*CONS PHONE PMT 800-704-8324 TX	47.49	
08-24	08-23	05436842250100144063172	TWC*TIME WARNER NYC 718-358-0900 NY	296.15	
08-27	08-24	05436842250100144063172	INTELLIGENT COMPUTER S CHATSWORTH CA	6,191.48	
08-27	08-23	05436842250100144063172	TIME WARNER CABLE 818-3588933 MO	253.35	
08-27	08-24	05436842250100144063172	PROSPECT COMMUNICATION 858-4593200 CA	1,330.00	
08-29	08-28	05436842250100144063172	DRI*AQUAFOREST LIMIT MINNETONKA MN	1,198.00	
08-29	08-28	05436842250100144063172	AINS INC GAITHERSBURG MD	4,994.50	
08-30	08-29	05436842250100144063172	GRASSHOPPER GROUP LCC NEEDHAM MA	56.91	
08-30	08-29	05436842250100144063172	IMTECH CORPORATION 0873365550 NJ	310.00	
08-31	08-30	05436842250100144063172	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	1,698.81	
08-31	08-30	05436842250100144063172	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	743.01	
08-31	08-30	05436842250100144063172	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	21.76	
08-31	08-30	05436842250100144063172	ADORAMA INC 212-7410468 NY	975.52	
08-31	08-30	05436842250100144063172	JC GLOBAL SUPPLY 509-3397155 WA	216.00	
08-31	08-30	05436842250100144063172	STOCK20.COM 02315572532 MI	523.00	
09-03	08-30	05436842250100144063172	CAPP USA 610-3941142 PA	147.42	
09-03	08-30	05436842250100144063172	NETLOCITY VA 301-3923232 MD	2,991.78	
09-03	08-31	05436842250100144063172	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	736.38	
09-03	08-31	05436842250100144063172	MONOPRICE INC 0809998867 CA	115.55	
09-03	08-30	05436842250100144063172	A&E SUPPLY HOUSTON TX	111.90	
09-03	08-31	05436842250100144063172	DLT SOLUTIONS 703-773- HERNDON VA	1,695.60	
09-03	08-31	05436842250100144063172	NEW YORK INKJET, LLC BALDWIN NY	451.58	
09-03	08-31	05436842250100144063172	ENTERPRISE 9253535009 CA	394.00	
09-03	08-31	05436842250100144063172	MEIRO OFFICE PRODUCTS 06155073900 TN	34.95	
09-03	08-31	05436842250100144063172	MARKERTEK VIDEO SUPPLY SAUGERTIES NY	259.69	
09-03	08-30	05436842250100144063172	JENSEN AUDIO VISUAL SANTA BARBARA CA	261.18	



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-05	09-04		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	279.54	
09-05	09-05		TECH ONE COMPUTERS 619-819-8336 NY	43.54	
09-05	09-03		UNITED OFFICE SOLUTION 0952-4013268 MN	69.00	
09-05	09-04		PREMIER & COMPANIES IN 02129471365 NY	187.20	
09-05	09-04		PREMIER & COMPANIES IN 02129471365 NY	45.43	
09-05	09-04		SOMA COMPUTER PHILADELPHIA PA	300.00	
09-06	09-05		STAGELIGHTINGSTORE 9046835553 FL	183.98	
09-06	09-05		FULLCOMPASSWIDE 600-356-5884 MI	102.22	
09-06	09-06		COMCAST OF WASHINGTON 800-COMCAST DC	108.95	
09-06	09-05		WEC SYS LLC 07635041069 MN	141.26	
09-07	09-05		GSA/FAS 703-605-5635 VA	118.28	
09-07	09-05		MOFTWARE.COM SUGARLAND TX	191.59	
09-07	09-06		BARNDOR LIGHTING 2032080845 CT	2,684.10	
09-07	09-05		A&T NETWORKS COLUMBIA MD	668.92	
09-07	09-05		A&T NETWORKS COLUMBIA MD	200.52	
09-10	09-08		DMI* DELL FEDERAL 800-727-1100 TX	1,439.08CR	
09-10	09-08		DIRI* WWW.ELEMENTS.INF MINNETONKA MN	2,547.00	
09-10	09-07		CSC - 1977 301-353-1150 MD	172.95	
09-10	09-07		AMAZON MKTPLCE PMTS AMZN.COM/BILL WA	308.79	
09-10	09-07		ATTN* 28724032047 08003310500 GA	1,734.49	
09-11	09-11		DMI* DELL FEDERAL 800-727-1100 TX	3,155.05	
09-11	09-10		ESTIMA 0847868772 IL	240.00	
09-12	09-11		B & H PHOTO-VIDEO-MO/T 800-9479950 NY	756.23	
09-12	09-11		VERIZON WRS V MACKET VE FL	432.00	
09-12	09-11		GENERAL PROJECTION SYS 0407260551 FL	1,639.11	
09-12	09-11		GENERAL PROJECTION SYS 0407260551 FL	794.50	
09-12	09-10		AUTOPAY/DISH NTWK 800-894-9131 CO	118.99	
09-12	09-10		JAM-SOFTWARE DE JAM-SOFTWARE. DEU	299.95	
09-12	09-10		ALTOVA BEVERLY MA	6,022.10	
09-12	09-10		STATACORP LP COLLEGE STATI TX	474.00	
09-13	09-12		GSA/FAS 703-605-5635 VA	37.22	
09-14	09-13		ENTERPRISE 9253535009 CA	4,249.80	
09-17	09-14		ATACOM INC 05109331200 CA	446.96	
09-17	09-14		IT FEDERAL SALES VITS DHOOPE/ITTFD NH	2,360.09	
09-17	09-14		ROBERT SLVE ELECTRONIC 703-5257272 VA	562.69	
09-18	09-18		CDW GOVERNMENT 800-750-4239 IL	1,094.44	
09-18	09-17		BARNDOR LIGHTING 2032080845 CT	396.89	
09-18	09-17		AMAZON MKTPLCE PMTS AMZN.COM/BILL WA	16.08	
09-18	09-17		MARKETEK VIDEO SUPPLY SAUGERTIES NY	103.53	
09-18	09-17		MARKETEK VIDEO SUPPLY SAUGERTIES NY	300.53	
09-18	09-17		MARKETEK VIDEO SUPPLY SAUGERTIES NY	185.31	
09-19	09-17		PSS/CCTS PRESENTATION S 480-3480100 AZ	526.57	
09-19	09-18		TENET COMPUTER GROUP I TORONTO ON (FOREIGN CURRENCY) 2,715.00 CAD 09/19 (RATE) 0.9652	2,871.97	
09-19	09-17	55309592262200719404365	MONOPRICE INC 0809898687 CA	189.35	
09-19	09-18	5543286226200288279621	AMAZON MKTPLCE PMTS AMZN.COM/BILL WA	21.20	
09-19	09-17	5545326226320700000001	FILMTOOLS 08198458066 CA	113.99	
09-19	09-18	85424542262921818260358	DISCOUNT MEDIA PRODUCT 800-996-2525 IL	1,448.20	
09-19	09-18	85500392262900014000254	CARAHOSFT TECHNOLOGY C 703-8718500 VA	235.35	
Department: 05009 Total:				\$172,710.25	
BEVERLY BROWN		CREDITS \$79.80	PURCHASES \$321.47	CASH ADV \$0.00	TOTAL ACTIVITY \$3,541.67
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
08-24	08-25	55546552236444813000180	TECHNI-TOOL INC WORCESTER PA	644.48	
08-27	08-21	55432862238000384264692	RHINO TECHNOLOGY GROUP 952-548-5700 MN	399.00	



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NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-03	08-31	09-03	MERITLINE.COM 08886686660 CA	99.90
09-03	08-31	09-03	SYX GLOBAL INDUSTRIALEQ 800-645-2986 FL	327.73
09-03	09-02	09-03	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	23.63
09-03	09-02	09-03	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	50.02
09-03	09-02	09-03	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	264.00
09-03	08-31	09-03	CYBERLINK DOT COM 951-8346548 CA	44.38
09-03	08-31	09-03	SEARS.COM INTERNET 800-349-4358 IL	24.27
09-03	09-05	09-03	RHINO TECHNOLOGY GROUP 952-548-5700 MN	79.80CR
09-05	09-04	09-05	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	299.98
09-19	09-18	09-19	WIRELESSOEM 7188097564 NY	407.49
09-19	09-18	09-19	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	47.90
09-19	09-18	09-19	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	26.21
09-19	09-18	09-19	AMAZON.COM AMZN.COM/BILL WA	580.00
09-19	09-18	09-19	BLK BOX CORP 724-746-5500 PA	185.07
09-19	09-18	09-19	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	77.00
09-19	09-18	09-19	C2G 08002872843 OH	20.41
			Department: 05010 Total:	\$3,541.67
			Division: 00005 Total:	\$176,251.92
DANIEL MAY				
		CREDITS \$0.00	PURCHASES \$5,118.30	CASH ADV \$0.00
				TOTAL ACTIVITY \$5,118.30
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-21	08-17	08-21	BNA 3 ARLINGTON VA	2,600.00
08-23	08-23	08-23	AMAZON.COM AMZN.COM/BILL WA	50.59
08-24	08-23	08-24	AMAZON.COM AMZN.COM/BILL WA	68.41
08-24	08-23	08-24	AMAZON.COM AMZN.COM/BILL WA	53.85
08-24	08-22	08-24	STUDENTS BOOK COMPANY WASHINGTON DC	50.96
09-06	09-05	09-06	LBP LAW BLTN INDEX PUB 312-644-7800 IL	3.95
09-06	09-05	09-06	AMAZON.COM AMZN.COM/BILL WA	82.17
09-06	09-05	09-06	AMAZON.COM AMZN.COM/BILL WA	101.88
09-07	09-07	09-07	BLP BLOOMBERG BRIEF 800-635-1209 NY	2,000.00
09-10	09-07	09-10	WILLIAM S HEIM & COMPA BUFFALO NY	106.49
			Department: 05013 Total:	\$5,118.30
			Division: 00007 Total:	\$5,118.30
JENNITA HILL				
		CREDITS \$0.00	PURCHASES \$659.90	CASH ADV \$0.00
				TOTAL ACTIVITY \$659.90
Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-05	09-04	05436842249500035060571	OFFICE DEPOT #5910 800-463-3768 PA	404.41
09-05	09-04	05436842249500035060654	OFFICE DEPOT #5910 800-463-3768 PA	236.19
09-11	09-10	05436842249500018666106	OFFICE DEPOT #5910 800-463-3768 PA	19.30
			Department: 05016 Total:	\$659.90
			Division: 00009 Total:	\$659.90



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 09-19-2012

NEW ACTIVITY				
JANIS KELLY VI HO		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$421.73	\$0.00
				TOTAL ACTIVITY
				\$421.73
Post Date	Tran Date	Reference Number	Transaction Description	Amount
08-23	08-22	00000000000000000000	STATE OF VA - CASH ON HAND - DC	54.00
08-24	08-22	00000000000000000000	STATE OF VA - CASH ON HAND - DC	40.15
08-31	08-29	00000000000000000000	STATE OF VA - CASH ON HAND - VA	15.99
08-31	08-29	00000000000000000000	STATE OF VA - CASH ON HAND - VA	15.99
09-07	09-05	00000000000000000000	STATE OF VA - CASH ON HAND - DC	99.97
09-14	09-13	00000000000000000000	STATE OF VA - CASH ON HAND - DC	73.64
09-17	09-13	00000000000000000000	STATE OF VA - CASH ON HAND - VA	15.99
09-17	09-13	00000000000000000000	STATE OF VA - CASH ON HAND - VA	15.99
09-17	09-13	00000000000000000000	STATE OF VA - CASH ON HAND - DC	90.01

Department: 05017 Total:	\$421.73
Division: 00010 Total:	\$421.73



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000017 3 SP 106481833025214 S

CFTC  
ATTN: SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 10-19-2012  
AMOUNT DUE \$2,866.86  
NEW BALANCE \$2,866.86  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$

Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	+ Checks	Check + Fee	- Credits	Current Activity	Payments	Account Balance
Company Total	\$33,183.06	\$275,345.72	\$0.00	\$34,607.22	\$688.34	\$2,412.84	\$308,128.44	\$338,444.64	\$2,866.86

Default Accounting Code:

CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER [REDACTED]		ACCOUNT SUMMARY	
	STATEMENT DATE	DISPUTED AMOUNT	PREVIOUS BALANCE	33,183.06
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	10/19/12	.00	PURCHASES & OTHER CHARGES	275,345.72
			SELF ASSESSED INTEREST PENALTY	.00
			CHECKS	34,607.22
			CHECK FEE	588.34
			CREDITS	2,412.84
			CURRENT BILLING ACTIVITY	308,128.44
			PAYMENTS	338,444.64
			ACCOUNT BALANCE	2,866.86



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 10-19-2012

CORPORATE ACCOUNT ACTIVITY					
CFTC		TOTAL CORPORATE ACTIVITY			
[REDACTED]		\$338,444.64 CR			
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-20	09-20	75569632264264111111140	WIRE PAYMENT	33,183.06	PY
09-21	09-21	75569632265265111111146	WIRE PAYMENT	15,387.18	PY
09-24	09-24	75569632268268111111121	WIRE PAYMENT	20,151.54	PY
09-25	09-25	75569632269269111111169	WIRE PAYMENT	72,605.59	PY
09-26	09-26	75569632270270111111123	WIRE PAYMENT	6,036.41	PY
09-27	09-27	75569632271271111111138	WIRE PAYMENT	12,031.71	PY
09-28	09-28	75569632272272111111127	WIRE PAYMENT	19,515.33	PY
10-01	10-01	75569632275275111111127	WIRE PAYMENT	23,096.19	PY
10-02	10-01	75569632276276111111157	WIRE PAYMENT	37,947.13	PY
10-03	10-03	75569632277277111111121	WIRE PAYMENT	4,618.04	PY
10-04	10-04	75569632278278111111136	WIRE PAYMENT	1,703.38	PY
10-05	10-05	755696322792791111111240	WIRE PAYMENT	5,377.96	PY
10-09	10-09	75569632283283111111121	WIRE PAYMENT	26,092.73	PY
10-09	10-09	75569632283283111111139	WIRE PAYMENT	7,022.36	PY
10-10	10-10	75569632284284111111128	WIRE PAYMENT	442.00	PY
10-11	10-11	75569632285285111111132	WIRE PAYMENT	3,144.75	PY
10-12	10-12	75569632286286111111121	WIRE PAYMENT	6,734.24	PY
10-16	10-16	75569632290290111111184	WIRE PAYMENT	3,814.49	PY
10-16	10-15	75569632290290111111242	WIRE PAYMENT	10,968.76	PY
10-17	10-17	75569632291291111111132	WIRE PAYMENT	2,527.47	PY
10-18	10-18	75569632292292111111121	WIRE PAYMENT	24,944.32	PY

NEW ACTIVITY					
KATHRYN M RISON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$9,923.46	\$580.75	\$10,504.21
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-27	09-26	000000000000000000000000	ATKINSON-BAKER INC 08185517310 CA	3,785.75	
09-28	09-27	000000000000000000000000	CAPITAL REPORTING COMP WASHINGTON DC	1,553.16	
10-03	10-01	000000000000000000000000	ANDERSON COURT REPORT1 703-5197180 VA	884.68	
10-08	10-05	000000000000000000000000	CAPITOL CONNECTION 7038933100 VA	3,690.00	
10-18	10-17	000000000000000000000000	*FINANCE CHARGE* CASH ADVANCE FEE	4.25	
10-18	10-17	000000000000000000000000	CASH ADVANCE FROM -	250.00	
10-18	10-17	000000000000000000000000	CHANTEL GENEUS 001053 -ST. PAUL -MN		
10-18	10-17	000000000000000000000000	*FINANCE CHARGE* CASH ADVANCE FEE	5.62	
10-18	10-17	000000000000000000000000	CASH ADVANCE FROM -	330.75	
			CHANTEL GENEUS 001054 -ST. PAUL -MN		
Department: 00000 Total:				\$10,504.21	
Division: 00000 Total:				\$10,504.21	
MONICA GREEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$29,574.91	\$2,690.80	\$32,265.71
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-20	09-19	55429502263849865963650	PAYPAL *ATLASPROSER 4029357733 CA	30.00	
09-21	09-19	25486752264264218235306	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,937.40	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 10-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-21	09-19	25448075276420421823540000	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,225.50	
09-21	09-19	25448075276420421823540000	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,389.35	
09-21	09-19	25448075276420421823540000	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,310.25	
09-21	09-19	25448075276420421823540000	NATIONAL DEPO FLORHAM PARK NJ	4,027.15	
09-21	09-20	000000000046000008032000	*FINANCE CHARGE* CASH ADVANCE FEE	0.88	
09-21	09-20	000000000046000008032000	CASH ADVANCE FROM -	52.00	
09-24	09-21	000000000046000008032000	DELAWARE SECRETARY001140 -ST. PAUL -MN		
09-24	09-20	000000000046000008032000	TAYLOR JONOVIC WHITE & 03053589047 FL	8,396.10	
09-24	09-22	000000000046000008032000	GRIFFIN & ASSOCIATES L PHOENIX AZ	981.39	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	247.40	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	1,336.85	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	120.00	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	90.00	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	130.00	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	56.25	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	150.75	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	150.75	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	114.00	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	150.75	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	201.00	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	244.50	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	1,206.50	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	881.00	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	804.25	
09-24	09-22	000000000046000008032000	REAL TIME REPORTERS 03125789323 IL	1,252.50	
09-27	09-26	000000000046000008032000	*FINANCE CHARGE* CASH ADVANCE FEE	16.82	
09-27	09-26	000000000046000008032000	CASH ADVANCE FROM -	989.50	
09-28	09-27	000000000046000008032000	REAL TIME REPORTER001139 -ST. PAUL -MN		
09-28	09-27	000000000046000008032000	*FINANCE CHARGE* CASH ADVANCE FEE	0.77	
09-28	09-27	000000000046000008032000	CASH ADVANCE FROM -	45.25	
10-01	09-28	000000000046000008032001000	STATE EMPLOYEES CR001147 -ST. PAUL -MN		
10-01	09-28	000000000046000008032001000	*FINANCE CHARGE* CASH ADVANCE FEE	1.19	
10-01	09-28	000000000046000008032001000	CASH ADVANCE FROM -	70.25	
10-01	09-28	000000000046000008032004008000	SPEEDY COURIER & P001142 -ST. PAUL -MN		
10-01	09-28	000000000046000008032004008000	*FINANCE CHARGE* CASH ADVANCE FEE	1.05	
10-01	09-28	000000000046000008032004008000	CASH ADVANCE FROM -	51.50	
10-01	09-28	000000000046000008032004009000	WELLS FARGO 001146 -ST. PAUL -MN		
10-01	09-28	000000000046000008032004009000	*FINANCE CHARGE* CASH ADVANCE FEE	0.80	
10-01	09-28	000000000046000008032004009000	CASH ADVANCE FROM -	47.00	
10-02	09-30	000000000046000008032004009000	WELLS FARGO 001148 -ST. PAUL -MN		
10-04	10-03	000000000046000008032004009000	DISCOVERY DOCUMENT SOL WASHINGTON DC	233.36	
10-04	10-03	000000000046000008032004009000	NICE SYSTEMS 02019642640 NJ	1,596.66	
10-04	10-03	000000000046000008032004009000	PAYPAL *DIRECTPROCE 4029357733 CA	260.00	
10-04	10-03	000000000046000008032004009000	AVANGATECOM 8882471614 CA	399.00	
10-08	10-04	000000000046000008032004009000	TEAM LEGAL 713-9374242 TX	606.50	
10-11	10-10	000000000046000008032004009000	*FINANCE CHARGE* CASH ADVANCE FEE	0.77	
10-11	10-10	000000000046000008032004009000	CASH ADVANCE FROM -	45.00	
10-12	10-11	000000000046000008032004009000	DM PROFESSIONAL SE001149 -ST. PAUL -MN		
10-12	10-11	000000000046000008032004009000	*FINANCE CHARGE* CASH ADVANCE FEE	22.10	
10-12	10-11	000000000046000008032004009000	CASH ADVANCE FROM -	1,300.00	
10-16	10-15	000000000046000008032004009000	CROSS CHECK COMMUN001145 -ST. PAUL -MN		
10-16	10-15	000000000046000008032004009000	*FINANCE CHARGE* CASH ADVANCE FEE	1.37	
10-16	10-15	000000000046000008032004009000	CASH ADVANCE FROM -	80.30	
10-16	10-15	000000000046000008032004009000	ED YOUNG 001144 -ST. PAUL -MN		
MELISSA STROM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$9,959.94	\$22,155.00	\$32,114.94



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 10-19-2012

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-20	09-19	00000000004600009024000	PLATE KRUSE & ASSOCIAT 03123451500 IL	293.54
09-20	09-19	00000000004600009024000	FRONT RANGE LEGAL PROC 09702679109 CO	95.00
09-20	09-19	00000000004600009024000	FRONT RANGE LEGAL PROC 09702679109 CO	45.00
09-20	09-19	00000000004600009024000	RESPONSIVE DATA SOLUTI WASHINGTON DC	699.60
09-21	09-19	00000000004600009024000	IN DEMAND DOCUMENT SER CHICAGO IL	1,759.38
09-21	09-19	00000000004600009024000	IN DEMAND DOCUMENT SER CHICAGO IL	480.29
09-21	09-20	00000000004600009024000	JANNEY AND JANNEY ATTO LOS ANGELES CA	30.00
09-21	09-20	00000000004600009024000	JANNEY AND JANNEY ATTO LOS ANGELES CA	95.00
09-21	09-20	00000000004600009024000	REAL-TIME REPORTERS 03125789323 IL	1,049.00
09-21	09-20	00000000004600009024000	REAL-TIME REPORTERS 03125789323 IL	475.00
09-21	09-20	00000000004600009024000	RESPONSIVE DATA SOLUTI WASHINGTON DC	245.84
09-21	09-20	00000000004600009024000	ALDERSON REPORTING WSHINGTON DC	507.94
09-24	09-21	00000000004600009024000	ESQUIRE DEPOSITION SOL 404-4437151 GA	347.40
09-24	09-21	00000000004600009024000	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,735.65
09-24	09-21	00000000004600009024000	ADVANTAGE REPORTING PEORIA IL	710.00
09-24	09-21	00000000004600009024000	RESPONSIVE DATA SOLUTI WASHINGTON DC	248.55
09-26	09-25	00000000004600009024000	PAYPAL *STATEWIDEPR 4029357733 FL	308.05
09-26	09-25	00000000004600009024000	PAYPAL *STATEWIDEPR 4029357733 FL	308.05
09-26	09-25	00000000004600009024000	PAYPAL *LAWSONLEGAL 4029357733 CA	150.00
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	13.97
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	821.50
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001395 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	16.26
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	956.50
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001394 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	19.66
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	1,156.50
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001381 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	25.92
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	1,524.75
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001382 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	24.16
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	1,421.10
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001383 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	12.07
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	709.85
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001384 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	17.73
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	1,043.10
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001385 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	15.35
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	902.70
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001386 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	8.73
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	513.70
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001387 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	11.52
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	677.50
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001388 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	6.25
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	367.75
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001389 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	12.68
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	745.90
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001390 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	11.49
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	675.70
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001391 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	9.74
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	573.10
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001392 -ST. PAUL -MN	
09-28	09-27	00000000004600009024000	*FINANCE CHARGE* CASH ADVANCE FEE	9.29
09-28	09-27	00000000004600009024000	CASH ADVANCE FROM -	546.70
09-28	09-27	00000000004600009024000	SUSAN SOBLE ASSOC 001396 -ST. PAUL -MN	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 10-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
10-01	09-28	0000000004600003005000	*FINANCE CHARGE* CASH ADVANCE FEE	41.45	
10-01	09-28	0000000004600003005000	CASH ADVANCE FROM -	2,438.00	
10-01	09-28	0000000004600005025000	*FINANCE CHARGE* CASH ADVANCE FEE	6.43	
10-01	09-28	0000000004600005025000	CASH ADVANCE FROM -	378.30	
10-01	09-28	0000000004600006005000	JANET COPPOCK 001400 -ST. PAUL -MN	1.53	
10-01	09-28	0000000004600006005000	*FINANCE CHARGE* CASH ADVANCE FEE	90.00	
10-01	09-28	0000000004600006007000	CASH ADVANCE FROM -	0.85	
10-01	09-28	0000000004600006007000	CHECKMATE INC 001377 -ST. PAUL -MN	50.00	
10-01	09-28	0000000004600006007000	*FINANCE CHARGE* CASH ADVANCE FEE		
10-02	10-01	0000000004600003019000	CASH ADVANCE FROM -	0.81	
10-02	10-01	0000000004600003019000	ACTION PROCESS SE 001397 -ST. PAUL -MN	47.70	
10-02	10-01	0000000004600004001000	*FINANCE CHARGE* CASH ADVANCE FEE	29.35	
10-02	10-01	0000000004600004001000	CASH ADVANCE FROM -	1,726.75	
10-02	10-01	0000000004600007032000	TSG REPORTING INC 001378 -ST. PAUL -MN	0.77	
10-02	10-01	0000000004600007032000	*FINANCE CHARGE* CASH ADVANCE FEE	45.00	
10-03	10-02	0000000004600008029000	SOCAL SUBPOENA SER001379 -ST. PAUL -MN		
10-03	10-02	0000000004600008029000	*FINANCE CHARGE* CASH ADVANCE FEE	3.06	
10-03	10-02	0000000004600008029000	CASH ADVANCE FROM -	180.00	
10-08	10-05	0000000004600004015000	UNITED PROCESS SER001380 -ST. PAUL -MN	0.94	
10-08	10-05	0000000004600004015000	*FINANCE CHARGE* CASH ADVANCE FEE	55.00	
10-12	10-11	0000000004600012007000	CASH ADVANCE FROM -	26.69	
10-12	10-11	0000000004600012007000	PLATTE RIVER INVES001374 -ST. PAUL -MN	1,570.20	
10-12	10-11	0000000004600012008000	*FINANCE CHARGE* CASH ADVANCE FEE		
10-12	10-11	0000000004600012008000	COURT REPORTERS OF001370 -ST. PAUL -MN	12.08	
10-12	10-11	0000000004600012008000	*FINANCE CHARGE* CASH ADVANCE FEE	710.65	
10-12	10-11	0000000004600012009000	CASH ADVANCE FROM -		
10-12	10-11	0000000004600012009000	COURT REPORTERS OF001372 -ST. PAUL -MN	17.86	
10-12	10-11	0000000004600012009000	*FINANCE CHARGE* CASH ADVANCE FEE	1,050.40	
10-12	10-11	0000000004600012010000	CASH ADVANCE FROM -		
10-12	10-11	0000000004600012010000	COURT REPORTERS OF001373 -ST. PAUL -MN	18.56	
10-12	10-11	0000000004600012010000	*FINANCE CHARGE* CASH ADVANCE FEE	1,091.65	
10-12	10-11	0000000004600015009000	CASH ADVANCE FROM -		
10-12	10-11	0000000004600015009000	COURT REPORTERS OF001371 -ST. PAUL -MN	1.45	
10-12	10-11	0000000004600015009000	*FINANCE CHARGE* CASH ADVANCE FEE	85.00	
10-12	10-11	0000000004600015009000	ALAN R DAVIS 001398 -ST. PAUL -MN		
LEA ANN RICELOW		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$154.28	\$3,193.77	\$3,348.05
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-20	09-19	0000000004600003025000	*FINANCE CHARGE* CASH ADVANCE FEE	54.29	
09-20	09-19	0000000004600003025000	CASH ADVANCE FROM	3,193.77	
10-10	10-09	55546552283471583261140	GARDERE ARENA ASSO001006 -ST. PAUL -MN		
10-10	10-09	55546552283471583261140	INUMBR SACRAMENTO CA	99.99	
Department: 05001 Total:				\$67,728.70	
Division: 00001 Total:				\$67,728.70	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 10-19-2012

NEW ACTIVITY					
IANIS KELLY [REDACTED]		CREDITS \$0.00	PURCHASES \$6,651.04	CASH ADV \$0.00	TOTAL ACTIVITY \$6,651.04
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-24	09-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	200.98	
09-24	09-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	16.77	
09-24	09-22	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	1,364.65	
09-24	09-22	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	58.64	
09-24	09-22	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	525.56	
09-24	09-21	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	225.89	
09-24	09-21	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	10.68	
09-25	09-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	575.89	
09-25	09-24	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	193.78	
09-26	09-25	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	301.70	
09-27	09-27	[REDACTED]	ULINE *SHIP SUPPLIES 800-295-5510 IL	47.65	
09-27	09-26	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	264.00	
09-28	09-26	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	911.66	
09-28	09-27	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	98.91	
09-28	09-27	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	104.54	
09-28	09-27	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	23.88	
09-28	09-26	[REDACTED]	INDEPENDENT STATIO ROCKVILLE MD	756.92	
09-28	09-27	[REDACTED]	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	42.93	
10-01	09-28	[REDACTED]	TALAS BROOKLYN NY	41.70	
10-05	10-04	[REDACTED]	SYX*GLOBALINDUSTRIALEQ 800-645-2986 FL	336.91	
10-19	10-18	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	549.40	
LOU BERMAN [REDACTED]		CREDITS \$0.00	PURCHASES \$1,831.58	CASH ADV \$0.00	TOTAL ACTIVITY \$1,831.58
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-25	09-24	55310202268207410500010	ART DISPLAY CO INC 02407651400 MD	1,184.54	
10-09	10-08	55446412282200308000015	ADCOCKS SYSTEMS LLC 03018433661 MD	442.00	
10-11	10-09	25259582284284120497903	GUILLENS PLUMBING SPA 800-2227855 FL	26.94	
10-19	10-18	55432862292000945440602	TYCOINTEGRATEDSECURITY 800-289-2647 IN	178.10	
LESTER HARDING [REDACTED]		CREDITS \$0.00	PURCHASES \$2,103.08	CASH ADV \$0.00	TOTAL ACTIVITY \$2,103.08
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-21	09-20	55436872264152649667169	KASTLE SYSTEMS 703-5288800 VA	905.00	
09-24	09-21	55547502266296302001014	IDENTITY STRONGHOLD 08006102770 FL	1,160.56	
10-15	10-12	55436872287122870775869	EQUIFAX INFO SERVICES 800-6855000 GA	37.52	
HENRY MANSEN [REDACTED]		CREDITS \$0.00	PURCHASES \$4,414.69	CASH ADV \$3,313.00	TOTAL ACTIVITY \$7,727.69
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-21	09-20	55432862264000761661053	ADT*SECURITY SERVICES 800-238-2455 FL	175.39	
09-21	09-20	55432862264000761661061	ADT*SECURITY SERVICES 800-238-2455 FL	175.39	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 10-19-2012

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-21	09-20	[REDACTED]	ADT SECURITY SERVICES 800-238-2455 FL	175.39	
09-24	09-22	[REDACTED]	PJ MECHANICAL SERVICES 0212886653 NY	1,100.00	
09-24	09-20	[REDACTED]	SUPREME SYSTEMS INC NEW YORK NY	84.00	
09-26	09-25	[REDACTED]	MAIDEN HEAVEN NEW YORK NY	213.20	
09-26	09-25	[REDACTED]	*FINANCE CHARGE* CASH ADVANCE FEE	8.93	
09-26	09-25	[REDACTED]	CASH ADVANCE FROM	525.00	
09-27	09-26	[REDACTED]	NYC FIRE DEPARTMENT 001057 -ST. PAUL -MN		
09-27	09-26	[REDACTED]	WEINSTEIN & HOLTZMAN NEW YORK NY	15.00	
10-04	10-03	[REDACTED]	CALDERON LOCKSMITH NEW YORK NY	185.00	
10-04	10-03	[REDACTED]	CALDERON LOCKSMITH NEW YORK NY	960.00	
10-08	10-04	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY	125.00	
10-08	10-04	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY	60.00	
10-08	10-04	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY	90.00	
10-08	10-04	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY	300.00	
10-08	10-04	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY	90.00	
10-12	10-11	[REDACTED]	*FINANCE CHARGE* CASH ADVANCE FEE	47.40	
10-12	10-11	[REDACTED]	CASH ADVANCE FROM	2,785.00	
10-16	10-12	55547502289123612018037	MERIDIAN ASSOCIATE001058 -ST. PAUL -MN		
10-18	10-16	25265862291291449574006	ALL STATE LEGAL CRANFORD NJ	164.50	
			ABM TRUSTCOMMERCE 713-7764545 TX	445.49	
NYREE THOMAS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$5,305.61	\$0.00	\$5,305.61
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-24	09-21	[REDACTED]	CAPP USA 610-3941142 PA	16.89	
09-24	09-20	[REDACTED]	MAIDEN HEAVEN NEW YORK NY	307.75	
09-25	09-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	95.99	
09-26	09-24	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY	222.00	
09-26	09-24	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY	420.00	
09-28	09-26	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	240.99	
09-28	09-27	[REDACTED]	GSA/FAS 703-605-5635 VA	24.90	
09-28	09-27	[REDACTED]	GSA/FAS 703-605-5635 VA	2.99	
09-28	09-27	[REDACTED]	GSA/FAS 703-605-5635 VA	34.50	
10-02	09-28	[REDACTED]	GSA/FAS 703-605-5635 VA	147.00	
10-02	09-28	[REDACTED]	GSA/FAS 703-605-5635 VA	138.00	
10-02	10-01	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	1,318.30	
10-02	09-28	[REDACTED]	ALL STATE LEGAL CRANFORD NJ	162.00	
10-03	10-02	[REDACTED]	GSA/FAS 703-605-5635 VA	129.00	
10-03	10-02	[REDACTED]	CALDERON LOCKSMITH NEW YORK NY	392.50	
10-04	10-02	[REDACTED]	LITEMOR 00 OF 00 781-5011226 MA	1,648.80	
THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$1,781.37	\$0.00	\$1,781.37
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-20	09-19	55547502263122864010460	GARVEY'S OFFICE PRODUC 08475881690 IL	856.61	
09-21	09-19	05410192265124254807921	CORNER BAKERY 01101385 CHICAGO IL	459.81	
09-21	09-20	55547502264122865010096	GARVEY'S OFFICE PRODUC 08475881690 IL	67.96	
09-27	09-25	25536062271101041234293	LALO'S MEXICAN RES CHICAGO IL	300.00	
09-27	09-26	55547502270122869010037	GARVEY'S OFFICE PRODUC 08475881690 IL	16.99	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 10-19-2012

NEW ACTIVITY					
Department: 05004 Total:				\$25,400.37	
MARGIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$90.05	\$2,852.33	\$0.00	\$2,762.28
Post Date	Tran Date	Reference Number	Transaction Description		Amount
09-20	09-18	05436842264500031331349	RIDGEWELL CATERERS BETHESDA MD		1,128.70
09-21	09-20	05436842265500034810462	EL TAMARINDO WASHINGTON DC		600.71
09-24	09-22	05436842265500034810462	OFFICE DEPOT #5910 800-463-3768 PA		426.91
09-25	09-24	05436842265500034810462	OFFICE DEPOT #5910 800-463-3768 PA		627.16
09-28	09-27	05436842265500034810462	OFFICE DEPOT #5910 800-463-3768 PA		68.85
10-03	10-01	05436842265500034810462	OFFICE DEPOT #5910 800-463-3768 PA		74.85 CR
10-05	10-03	05436842265500034810462	RIDGEWELL CATERERS BETHESDA MD		15.20 CR
CATHY WICKOWSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$97.89	\$473.90	\$571.79
Post Date	Tran Date	Reference Number	Transaction Description		Amount
09-20	09-19	05436842264500031331349	OFFICE DEPOT #1090 800-463-3768 MA		16.99
09-21	09-20	05436842265500034810462	OFFICE DEPOT #1090 800-463-3768 MA		11.98
09-26	09-25	0000000004600005030000	*FINANCE CHARGE* CASH ADVANCE FEE		5.08
09-26	09-25	0000000004600005030000	CASH ADVANCE FROM -		299.00
			ANDRE'S 001108 -ST. PAUL -MN		
10-01	09-28	0000000004600008032000	*FINANCE CHARGE* CASH ADVANCE FEE		2.97
10-01	09-28	0000000004600008032000	CASH ADVANCE FROM -		174.90
			RUDY'S TENAMPA TAG001109 -ST. PAUL -MN		
10-11	10-09	05436842284100143098344	OFFICE DEPOT #1090 800-463-3768 MA		60.87
Department: 05006 Total:				\$3,334.07	
Division: 00003 Total:				\$28,734.44	
NICHOLAS GRAHAM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$408.25	\$0.00	\$408.25
Post Date	Tran Date	Reference Number	Transaction Description		Amount
10-04	10-02	85104852277900016255330	WENDELLA SIGHTSEEING B CHICAGO IL		408.25
SONDA R OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$58.00	\$6,543.08	\$0.00	\$6,485.08
Post Date	Tran Date	Reference Number	Transaction Description		Amount
09-24	09-21	55429502266027402594471	COURTCALL *#5156288 03103420888 CA		58.00
09-24	09-22	75418232266708027752585	SURVEYMONKEY.COM 971-2445555 CA		24.00
09-27	09-25	85504982270900011001058	ANDERSON COURT REPORT 703-5197180 VA		2,006.08
10-01	09-27	55460292272206430000079	ZINSPERITY*PERFMGT 08772220448 CA		4,455.00
10-03	09-21	755696322772027402594471	COURTCALL *#5156288 03103420888 CA		58.00 CR



Company Name:	CFTC
Corporate Account Number:	[REDACTED]
Statement Date:	10-19-2012

NEW ACTIVITY

Department: 05007 Total:

Division: 00004 Total:

\$6,893.33

\$6,893.33

ANDRIETTA MINTER

CREDITS  
\$100.00

PURCHASES  
\$74,748.36

CASH ADV  
\$0.00

TOTAL ACTIVITY  
\$74,648.35

Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-20 09-19			WKF WK FINANCIAL SRVS 800-552-9410 MN	1,395.00
09-20 09-19			ILLINOIS INSTITUTE 0312567332 IL	325.00
09-24 09-20			O-REILLY CONFERENCE 070/8290515 CA	1,556.00
09-25 09-24			GRADUATE SCHOOL REC 08887444723 DC	995.00
09-25 09-24			GRADUATE SCHOOL REC 08887444723 DC	995.00
09-25 09-24			GRADUATE SCHOOL REC 08887444723 DC	995.00
09-26 09-25			THEREGGROUP 2024663205 VA	665.00
09-26 09-25			THEREGGROUP 2024663205 VA	665.00
09-26 09-25			THEREGGROUP 2024663205 VA	665.00
09-26 09-25			ACT*GARTNER DATA CENTE 801-617-0200 CA	1,895.00
09-26 09-25			GRADUATE SCHOOL REC 08887444723 DC	875.00
09-27 09-25			OPM-PHIL SVC CTR PHILADELPHIA PA	340.00
09-27 09-26			ACT*GARTNER FALL SYMPO 801-617-0200 CA	1,506.00
09-27 09-26			ACT*GARTNER FALL SYMPO 801-617-0200 CA	2,895.00
09-27 09-26			ACT*GARTNER FALL SYMPO 801-617-0200 CA	2,895.00
09-27 09-26			GTU LAW CENTER 02025629015 DC	795.00
09-27 09-26			FINANCIAL MANAGEMENT A TAMPA FL	570.00
09-28 09-27			G R A INC SILVER SPRING MD	150.00
09-28 09-26			BECKER CPA REVIEW 08008683900 IL	6,000.00
10-01 09-27			2INSPERITY*PERFMTG 0872220448 CA	100.00 CR
10-01 09-27			MANAGEMENT CONCEPTS TYSONS CORNER VA	765.00
10-01 09-27			EXECUTIVE INFORMATION 03015818594 MD	22,300.00
10-01 09-27			THE ESCAL INSTITUTE 03016547267 MD	4,095.00
10-01 09-28			AMERICAN BAR ASSOCIATI 800-2852221 IL	240.00
10-02 09-30			MANAGEMENT CONCEPTS TYSONS CORNER VA	765.00
10-03 10-02			CFA SOC OF WASH DC 888-7183893 DC	100.00
10-04 10-03			INSTITUTIONAL INVESTOR NEW YORK NY	750.00
10-04 10-03			DAN KAIN TROPHIES INC 07032891091 VA	170.25
10-05 10-04			NARA NWML TRAINING 817-551-2004 MD	150.00
10-05 10-04			KEN BLANCHARD COMPANIE 07604895005 CA	3,631.61
10-05 10-04			IT 03125673581	5,250.00
10-05 10-03			CLICKS DOCUMENT MANAGE PITTSBURGH PA	4,641.00
10-05 10-03			CLICKS DOCUMENT MANAGE PITTSBURGH PA	331.50
10-05 10-03			B & A METAL GRAPHIC SILVER SPRING MD	1,241.00
10-08 10-04			PAYPAL PEGGY KAUS 4029357733 CA	1,200.00
10-10 10-01			FLAGG MANAGEMENT INC NEW YORK NY	107.80
10-11 10-10			ILLINOIS INSTITUTE 0312567332	975.00
10-12 10-10			MANAGEMENT CONCEPTS TYSONS CORNER VA	928.00
10-17 10-16			OPM-DC WASHINGTON DC	93.00

CYNTHIA WATSON

CREDITS  
\$1,363.57

PURCHASES  
\$98,197.83

CASH ADV  
\$0.00

TOTAL ACTIVITY  
\$96,834.36

Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-20 09-18			OFFICE DEPT #5910 800-463 3768 PA	362.26
09-20 09-19			B & H PHOTO-VIDEO-MO/T 800-9479950 NY	921.62
09-20 09-19			B & H PHOTO-VIDEO-MO/T 800-9479950 NY	249.05
09-20 09-19			B & H PHOTO-VIDEO-MO/T 800-9479950 NY	249.05
09-20 09-19			B & H PHOTO-VIDEO-MO/T 800-9479950 NY	281.12
09-20 09-19			B & H PHOTO-VIDEO-MO/T 800-9479950 NY	93.88
09-21 09-20			AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	2,189.90



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NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-21	09-20	55428552263264009604609	AMAZON.COM AMZN.COM/BILL WA	29.95
09-21	09-19	55428552263264010022809	NEXTWAREHOUSE.COM 877-2356628 PA	100.11
09-24	09-24	5542862263000483820012	COW GOVERNMENT 800-750-4239 IL	1,503.43
09-24	09-20	5542862263000483820012	SYNERGY TELECOM INC INDIANAPOLIS IN	2,795.00
09-24	09-20	5542862263000483820012	FIRSTCALL OFFICE SOLUT LOS ANGELES CA	390.00
09-24	09-22	5542862263000483820012	ATT*CONS PHONE PMT 800-704-8324 TX	47.78
09-24	09-22	5542862263000483820012	TWC*TIME WARNER NYC 718-358-0900 NY	296.16
09-24	09-22	5542862263000483820012	HP DIRECT-PUBLICSECTOR 800-727-2472 NE	250.00
09-24	09-21	5542862263000483820012	TELECOM TECHNOLOGIES I 06514565800 MN	11,200.00
09-24	09-21	5542862263000483820012	TELECOM TECHNOLOGIES I 06514565800 MN	13,000.00
09-24	09-21	5542862263000483820012	COMPLETE PACKAGING & S 05145462100 NY	2,892.00
09-24	09-20	5542862263000483820012	SYNNEX 888-6887558 CA	11,057.15
09-24	09-20	5542862263000483820012	SYNNEX 888-6887558 CA	2,211.43
09-25	09-22	5542862263000483820012	TIME WARNER CABLE 816-3588833 MO	253.35
09-25	09-24	5542862263000483820012	FRANKLINCOVEYPRODUCTS 800-819-1812 UT	16.75
09-26	09-25	5542862263000483820012	ADORAMA INC 212-7410466 NY	284.47
09-26	09-25	5542862263000483820012	WWW.MUHIMBI.COM INTERNET GBR	2,998.00
09-26	09-25	5542862263000483820012	MARKERTEK VIDEO SUPPLY SAUGERTIES NY	26.87
09-27	09-17	5542862263000483820012	THE SOUND ROOM 02015290128 NJ	1,188.15
09-27	09-27	5542862263000483820012	DMI* DELL FEDERAL 800-727-1100 TX	1,439.08
09-27	09-26	5542862263000483820012	FILMTOOLS 08188458066 CA	1,379.30
10-01	09-28	5542862263000483820012	ANTHRO TECHNOLOGY FURN 08003253841 OR	1,379.27
10-01	09-28	5542862263000483820012	IMMIXTECHNOLOGY, IN 703-750-0610 VA	579.31
10-03	10-01	5542862263000483820012	AUTOPAY/DISH NTWK 800-894-9131 CO	146.99
10-05	10-05	5542862263000483820012	COMCAST OF WASHINGTON 800-COMCAST DC	106.95
10-08	10-06	5542862263000483820012	GRASSHOPPER GROUP, LLC NEEDHAM MA	58.91
10-08	10-05	5542862263000483820012	TELERIK 08883652779 MA	899.50
10-10	10-09	5542862263000483820012	ADORAMA INC 212-7410466 NY	2,944.76
10-11	10-10	5542862263000483820012	ADORAMA INC 212-7410466 NY	387.54
10-11	10-10	5542862263000483820012	HANDMADE SOFTWARE 05102520101 CA	1,875.00
10-11	10-10	5542862263000483820012	DTV*DIRECTV SERVICE 800-347-3288 CA	294.99
10-11	10-10	5542862263000483820012	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	30.14
10-11	10-10	5542862263000483820012	ATTM *287240832047 08003310500 GA	1,794.29
10-11	10-09	5542862263000483820012	SYNNEX 888-6887558 CA	1,183.70
10-12	10-11	5542862263000483820012	ADORAMA INC 212-7410466 NY	847.72
10-12	10-11	5542862263000483820012	SCAN ONLINE 07049831495 NC	450.00
10-15	10-12	5542862263000483820012	ADORAMA INC 212-7410466 NY	196.93
10-15	10-12	5542862263000483820012	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	51.05
10-15	10-11	5542862263000483820012	AUTOPAY/DISH NTWK 800-894-9131 CO	118.99
10-15	10-11	5542862263000483820012	IMAGEX RESTON VA	2,050.00
10-15	10-11	5542862263000483820012	VERAMARK TECHNOLOGIES PITTSFORD NY	1,460.00
10-16	10-15	5542862263000483820012	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	13.90
10-17	10-16	5542862263000483820012	CDW GOVERNMENT 800-750-4239 IL	1,363.57 CR
10-17	10-16	5542862263000483820012	SAP GOVERNMENT SUPP NEW TOWN SQUA PA	15,830.20
10-17	10-16	5542862263000483820012	WASHINGTON PROFESSIONA WHEATON MD	8,619.20
10-18	10-17	5542862263000483820012	NEW YEAR TECH, INC. RESTON VA	1,000.00
Department: 05009 Total:				\$171,482.72
BEVERLY BROWN		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$801.22	\$4,808.75	\$0.00
				TOTAL ACTIVITY
				\$4,007.53
Post Date	Tran Date	Reference Number	Transaction Description	Amount
09-20	09-19	25428552263264009604609	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	418.90
09-20	09-19	25428552263264010022809	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	19.95
09-20	09-19	55432862263000483820012	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	55.00
09-20	09-19	55432862263000483820012	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	23.50
09-20	09-19	55432862263000499502737	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	55.98



Company Name: CFTC
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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-20	09-19		AMAZON MKTPPLACE PMTS AMZN.COM/BILL WA	10.98	
09-20	09-19		FILMTOOLS 08188458066 CA	995.98	
09-21	09-20		OFFICE DEPOT #5910 800-463-3768 PA	49.49	
09-21	09-20		OFFICE DEPOT #5910 800-463-3768 PA	376.56	
09-21	09-20		OFFICE DEPOT #5910 800-463-3768 PA	123.35	
09-21	09-20		APL APPLE ITUNES STORE 866-712-7753 CA	42.35	
09-21	09-20		AMAZON.COM AMZN.COM/BILL WA	35.22	
09-21	09-21		AMAZON MKTPPLACE PMTS AMZN.COM/BILL WA	4.99	
09-24	09-21		SYNERGY TELECOM INC INDIANAPOLIS IN	278.08	
09-24	09-20		NEW TECH INDUSTRIES DAVIE FL	293.84	
09-25	09-24		ADORAMA INC 212-7410466 NY	99.95	
09-27	09-25		WASHINGTON PROFESSIONAL WHEATON MD	388.50	
09-28	09-26		TECHNI-TOOL INC WORCESTER PA	471.23	CR
09-28	09-26		DATA DEVICES INTERNATI SAN MARINO CA	520.00	
10-01	09-29		COMPONENTSOURCE.COM WOODSTOCK GA	261.63	
10-01	09-28		FARONICS TECHNOLOGIES SAN RAMON CA	550.00	
10-06	10-04		OFFICE DEPOT #5910 800-463-3768 PA	329.99	CR
10-17	10-17		CDW GOVERNMENT 800-750-4239 IL	191.49	
Department: 05010 Total:				\$4,001.53	
Division: 00005 Total:				\$175,496.25	
DANIEL MAY					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$16,124.00	\$2,200.00	\$18,324.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-20	09-19		AMERICAN BAR ASSOCIATI 800-2852221 IL	3,694.68	
09-24	09-21		AGRESOURCEC 3124080045 IL	130.00	
09-24	09-21		TEA*THE GREAT COURSES 800-832-2412 VA	68.85	
09-26	09-24		WILLIAM S HEIN & COMPA BUFFALO NY	1,196.35	
10-05	10-04		D J *PUBLICATIONS 609-520-5549 NJ	10,418.96	
10-16	10-15		*FINANCE CHARGE* CASH ADVANCE FEE	37.40	
10-16	10-15		CASH ADVANCE FROM -	2,200.00	
10-17	10-16	45438642291090172867312	COMMODITY RESEARCH H001062 -ST. PAUL -MN		
10-18	10-17	45425152292000185362553	MACMILLAN PUBLISHERS L BASINGSTOKE GBR	532.00	
			WP-THE CENTRE FOR LONDON GBR	45.75	
			(FOREIGN CURRENCY) 28.00 GBP 10/18 (RATE) 0.6120		
Department: 05013 Total:				\$18,324.00	
Division: 00007 Total:				\$18,324.00	
VENITA HILL					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$30.00	\$0.00	\$30.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
10-16	10-15	55429502280027490605940	COURTCALL *#5209821 03103420888 CA	30.00	
Department: 05016 Total:				\$30.00	
Division: 00009 Total:				\$30.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 10-19-2012

NEW ACTIVITY					
JANIS KELLY V1 HO		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$423.51	\$0.00	\$423.51
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
09-27	09-26	00000000000000000000	DEPOSIT 47027448 WASHINGTON DC	49.51	
09-28	09-26	00000000000000000000	DEPOSIT 47027448 WASHINGTON DC	15.99	
09-28	09-26	00000000000000000000	DEPOSIT 47027448 WASHINGTON DC	15.99	
09-28	09-26	00000000000000000000	DEPOSIT 47027448 WASHINGTON DC	104.02	
10-08	10-05	00000000000000000000	DEPOSIT 47027448 WASHINGTON DC	68.00	
10-08	10-05	00000000000000000000	DEPOSIT 47027448 WASHINGTON DC	112.50	
10-19	10-18	00000000000000000000	DEPOSIT 47027448 WASHINGTON DC	57.50	

Department: 05017 Total:  
Division: 00010 Total:

\$423.51  
\$423.51



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000012 2 SP 106481878451720 S  
CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 11-19-2012  
AMOUNT DUE \$8,083.45  
NEW BALANCE \$8,083.45  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$  
Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313



Please tear payment coupon at perforation

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	Checks	Check + Fee	Credits	Current Activity	Payments	Account Balance
[REDACTED]									
Company Total	\$2,866.86	\$100,800.13	\$0.00	\$793.98	\$13.51	\$1,144.20	\$100,463.42	\$85,246.83	\$8,083.45

Default Accounting Code:			
CUSTOMER SERVICE CALL	ACCOUNT NUMBER		ACCOUNT SUMMARY
	[REDACTED]		PREVIOUS BALANCE 2,866.86 PURCHASES & OTHER CHARGES 100,800.13 SELF ASSESSED INTEREST PENALTY .00
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	STATEMENT DATE	DISPUTED AMOUNT	CHECKS 793.98 CHECK FEE 13.51 CREDITS 1,144.20 CURRENT BILLING ACTIVITY 100,463.42 PAYMENTS 95,246.83 ACCOUNT BALANCE 8,083.45
	11/19/12	.00	
		AMOUNT DUE	8,083.45



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 11-19-2012

CORPORATE ACCOUNT ACTIVITY					
CFTC [REDACTED]			TOTAL CORPORATE ACTIVITY \$95,246.83 CR		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
10-22	10-22	75569632296296111111177	WIRE PAYMENT	785.00 PY	
10-22	10-19	75569632296296111111318	WIRE PAYMENT	2,081.86 PY	
10-23	10-23	75569632297297111111125	WIRE PAYMENT	1,892.54 PY	
10-24	10-24	75569632298298111111163	WIRE PAYMENT	1,925.68 PY	
10-25	10-25	75569632299299111111129	WIRE PAYMENT	3,701.40 PY	
10-29	10-29	75569632303303111111560	WIRE PAYMENT	19,895.67 PY	
10-30	10-30	75569632304304111111138	WIRE PAYMENT	18,711.43 PY	
10-31	10-31	75569632305305111111142	WIRE PAYMENT	452.41 PY	
11-01	11-01	75569632306306111111123	WIRE PAYMENT	138.00 PY	
11-02	11-02	75569632307307111111120	WIRE PAYMENT	86.45 PY	
11-05	11-05	75569632310310111111129	WIRE PAYMENT	1,126.93 PY	
11-06	11-06	75569632311311111111126	WIRE PAYMENT	630.04 PY	
11-07	11-07	75569632312312111111131	WIRE PAYMENT	2,531.59 PY	
11-08	11-08	75569632313313111111120	WIRE PAYMENT	4,492.12 PY	
11-09	11-09	75569632314314111111127	WIRE PAYMENT	1,697.60 PY	
11-13	11-13	75569632318318111111124	WIRE PAYMENT	2,722.74 PY	
11-13	11-13	75569632318318111111132	WIRE PAYMENT	5,365.80 PY	
11-14	11-14	75569632319319111111121	WIRE PAYMENT	118.99 PY	
11-15	11-15	75569632320320111111142	WIRE PAYMENT	5,352.74 PY	
11-16	11-16	75569632321321111111123	WIRE PAYMENT	2,188.27 PY	
11-19	11-19	75569632324324111111264	WIRE PAYMENT	19,347.57 PY	

NEW ACTIVITY					
MONICA GREEN [REDACTED]		CREDITS \$0.00	PURCHASES \$13,070.63	CASH ADV \$594.54	TOTAL ACTIVITY \$13,665.17
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
10-22	10-19	0000000004600004008000	*FINANCE CHARGE* CASH ADVANCE FEE	1.19	
10-22	10-19	0000000004600004008000	CASH ADVANCE FROM -	70.00	
10-25	10-25	0000000004600001001000	AMERICAN EAGLE ATT001141 - ST. PAUL -MN	2.35	
10-25	10-25	0000000004600001001000	*FINANCE CHARGE* CASH ADVANCE FEE	138.00	
10-29	10-26	0000000004600001001000	CASH ADVANCE FROM -	1,591.75	
10-29	10-26	0000000004600001001000	US BANK NATIONAL 001143 -ST. PAUL -MN	1,660.00	
10-29	10-26	0000000004600001001000	ALLIANCE REPORTING SER MINEOLA NY	1,255.75	
10-29	10-26	0000000004600001001000	ALLIANCE REPORTING SER MINEOLA NY	2,164.00	
10-30	10-29	0000000004600001001000	ALLIANCE REPORTING SER MINEOLA NY	6.57	
10-30	10-29	0000000004600001001000	*FINANCE CHARGE* CASH ADVANCE FEE	386.54	
11-15	11-14	0000000004600001001000	CASH ADVANCE FROM -	95.00	
11-15	11-14	0000000004600001001000	SUSAN SOBLE ASSOC 001151 -ST. PAUL -MN	95.00	
11-15	11-14	0000000004600001001000	PAYPAL *DIRECTPROC 4029357733 CA	1,204.27	
11-15	11-14	0000000004600001001000	PAYPAL *DIRECTPROC 4029357733 CA	1,402.75	
11-16	11-14	0000000004600001001000	HERITAGE REPORTING COR 02026284888 DC	1,413.25	
11-16	11-14	0000000004600001001000	ALLIANCE REPORTING SER MINEOLA NY	1,307.00	
11-16	11-14	0000000004600001001000	ALLIANCE REPORTING SER MINEOLA NY	871.75	
MELISSA STROM [REDACTED]		CREDITS \$0.00	PURCHASES \$18,540.05	CASH ADV \$0.00	TOTAL ACTIVITY \$18,540.05





Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 11-19-2012

NEW ACTIVITY					
<b>SCOTT WILLIAMSON</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]		\$0.00	\$2.30	\$135.00	\$137.30
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-01	10-31	0000000004600002028000	*FINANCE CHARGE* CASH ADVANCE FEE	1.45	
11-01	10-31	0000000004600002028000	CASH ADVANCE FROM -	85.00	
11-07	11-06	0000000004600002025000	STERLING MADISON C001042 -ST. PAUL -MN	0.85	
11-07	11-06	0000000004600002025000	*FINANCE CHARGE* CASH ADVANCE FEE	50.00	
			CASH ADVANCE FROM -		
			NORTH COUNTRY PROC001041 -ST. PAUL -MN		
Department: 05002 Total:				\$187.30	
Division: 00001 Total:				\$32,492.51	
<b>JANIS KELLY</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]		\$0.00	\$1,740.99	\$0.00	\$1,740.99
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
10-24	10-23	054188822700000141040000	OFFICE DEPOT #5910 800-463-3768 PA	88.90	
11-02	11-01	054188822700000141040000	OFFICE DEPOT #5910 800-463-3768 PA	87.36	
11-05	11-03	054188822700000141040000	OFFICE DEPOT #5910 800-463-3768 PA	149.02	
11-19	11-16	054188822700000141040000	OFFICE DEPOT #5910 800-463-3768 PA	565.11	
11-19	11-16	054188822700000141040000	OFFICE DEPOT #5910 800-463-3768 PA	48.85	
11-19	11-16	054188822700000141040000	OFFICE DEPOT #5910 800-463-3768 PA	520.55	
11-19	11-16	054188822700000141040000	OFFICE DEPOT #5910 800-463-3768 PA	74.97	
11-19	11-16	054188822700000141040000	OFFICE DEPOT #5910 800-463-3768 PA	192.90	
11-19	11-15	054188822700000141040000	THE HOME DEPOT #2583 WASHINGTON DC	13.33	
<b>LOU BERMAN</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]		\$0.00	\$1,121.80	\$0.00	\$1,121.80
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
10-22	10-19	55485412294004030265054	GE APPLIANCE REPAIR 866-839-4479 KY	105.95	
11-07	11-06	55417342311153114410721	MARCONI APPLIANCE PART 877-8275003 MO	39.47	
11-09	11-07	25255562313313180087606	DOMINION ELECTRIC SUPP 202-7890500 DC	537.20	
11-19	11-15	25259582321321114132206	DOMINION ELECTRIC SUPP 202-7890500 DC	14.18	
11-19	11-16	55457022321207088500011	W E BOWERS & ASSOC INC 03014192488 MD	425.00	
<b>THOMAS WILLIAMS</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>
[REDACTED]		\$0.00	\$169.32	\$0.00	\$169.32
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-05	11-02	55310202307083003297139	IRON MOUNTAIN 08003278345 MA	11.82	
11-14	11-13	05410192319724244925094	CORNER BAKERY 01101385 CHICAGO IL	157.50	
Department: 05004 Total:				\$3,032.11	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 11-19-2012

NEW ACTIVITY						
MARCIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$2,132.70	\$0.00	\$2,132.70	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
11-09	11-07	05410192313724325017718	CORNER BAKERY 01101799 WASHINGTON DC			798.60
11-14	11-12	05410192319724244815972	CORNER BAKERY 01101799 WASHINGTON DC			419.10
11-14	11-13	55310202319207181900067	DEBONAIR CLEANERS & LA KENSINGTON MD			915.00
CATHY WICYKOWSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$1.10	\$54.44	\$55.54	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
11-19	11-16	00000000004600012007000	*FINANCE CHARGE* CASH ADVANCE FEE			1.10
11-19	11-16	00000000004600012007000	CASH ADVANCE FROM - MCLAINS BAKERY 001110 -ST. PAUL -MN			54.44
Department: 05006 Total:					\$2,198.24	
Division: 00003 Total:					\$5,230.35	
NICHOLAS GRAHAM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$3,895.00	\$0.00	\$3,895.00	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
11-19	11-16	05410192321167030535642	FRB CONF CENTE30564660 CHICAGO IL			3,895.00
SONDA R OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$8,378.38	\$0.00	\$8,378.38	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
11-02	10-31	05410192306654311041480	SMITH WOLLEN00001073 WASHINGTON DC			500.00
11-07	11-05	05410192311654052034259	SMITH WOLLEN00001073 WASHINGTON DC			2,570.38
11-16	11-14	85180892320511279100368	TRADERS EXPO/FOREX SARASOTA FL			5,250.00
11-19	11-19	75569632324556862000002	COURTCALL #5156286-REBILL 03103420888 CA			\$8.00
Department: 05007 Total:					\$12,273.38	
Division: 00004 Total:					\$12,273.38	
ABDRIETTA MINTER		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$645.00	\$13,348.18	\$0.00	\$12,703.18	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
10-22	10-19	55207392295659505936297	MANAGEMENT CONCEPTS TYSONS CORNER VA			1,069.00



Company Name:	CFTC
Corporate Account Number:	[REDACTED]
Statement Date:	11-19-2012

[illegible]



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 11-19-2012

NEW ACTIVITY					
DANIEL MAY		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$339.58	\$0.00	\$339.58
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-06	11-05	55429502310849484023020	AGRESOURCEC 3124080045 IL	65.00	
11-07	11-06	55432862311000545232232	AMAZON.COM AMZN.COM/BILL WA	22.58	
11-16	11-15	55432862320000480026416	D J PUBLICATIONS 609-520-5649 NJ	252.00	
Department: 05013 Total:				\$339.58	
Division: 00007 Total:				\$339.58	
JANIS KELLY HEND		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$420.66	\$0.00	\$420.66
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
10-22	10-18	55427382302150000000000	WASH CAR WASH #6 ALEXANDRIA VA	17.30	
10-22	10-18	55427382302150000000000	WASH CAR WASH #6 ALEXANDRIA VA	11.76	
10-22	10-18	55427382302150000000000	WASH CAR WASH #6 ALEXANDRIA VA	15.99	
10-22	10-18	55427382302150000000000	WASH CAR WASH #6 ALEXANDRIA VA	113.01	
11-02	11-01	55430823021500000000000	WASH CAR WASH #6 ALEXANDRIA VA	52.58	
11-05	11-01	55430823021500000000000	WASH CAR WASH #6 ALEXANDRIA VA	100.00	
11-19	11-16	55430823021500000000000	WASH CAR WASH #6 ALEXANDRIA VA	15.99	
11-19	11-16	55430823021500000000000	WASH CAR WASH #6 ALEXANDRIA VA	94.03	

Department: 05017 Total: \$420.66  
Division: 00010 Total: \$420.66



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000016 2 SP 106481925447457 S  
CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 12-19-2012  
AMOUNT DUE \$5,566.16  
NEW BALANCE \$5,566.16  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$  
Please make check payable to "U.S. Bank"

U. S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	+ Checks	Check + Fee	- Credits	= Current Activity	Payments	Account Balance
Company Total	\$8,083.45	\$107,987.77	\$0.00	\$18,700.77	\$317.94	\$2,286.49	\$124,719.99	\$127,237.28	\$5,566.16

Default Accounting Code:			
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER [REDACTED]		ACCOUNT SUMMARY
	STATEMENT DATE 12/19/12	DISPUTED AMOUNT .00	PREVIOUS BALANCE 8,083.45 PURCHASES & OTHER CHARGES 107,987.77 SELF ASSESSED INTEREST PENALTY .00 CHECKS 18,700.77 CHECK FEE 317.94 CREDITS 2,286.49 CURRENT BILLING ACTIVITY 124,719.99 PAYMENTS 127,237.28 ACCOUNT BALANCE 5,566.16
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	AMOUNT DUE  5,566.16		



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 12-19-2012

CFTC				TOTAL CORPORATE ACTIVITY	
				\$127,237.28 CR	
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-20	11-20	75569632325325111111120	WIRE PAYMENT	8,083.45	PY
11-23	11-23	75569632328328111111121	WIRE PAYMENT	3,269.22	PY
11-26	11-26	75569632331331111111120	WIRE PAYMENT	5,124.03	PY
11-27	11-27	75569632332332111111309	WIRE PAYMENT	11,376.32	PY
11-28	11-28	75569632333333111111124	WIRE PAYMENT	5,006.06	PY
11-29	11-29	75569632334334111111121	WIRE PAYMENT	1,210.99	PY
11-30	11-30	75569632335335111111127	WIRE PAYMENT	10,751.38	PY
12-03	12-03	75569632338338111111235	CREDIT PAYMENT	1,143.72	PY
12-04	12-04	75569632339339111111141	WIRE PAYMENT	14,575.75	PY
12-06	12-06	75569632341341111111127	WIRE PAYMENT	817.95	PY
12-06	12-05	75569632341341111111192	WIRE PAYMENT	4,951.57	PY
12-07	12-07	75569632342342111111124	WIRE PAYMENT	6,438.46	PY
12-10	12-10	75569632345345111111132	WIRE PAYMENT	7,109.61	PY
12-11	12-11	75569632346346111111121	WIRE PAYMENT	3,076.14	PY
12-13	12-13	75569632348348111111125	WIRE PAYMENT	20,695.56	PY
12-14	12-14	75569632349349111111155	WIRE PAYMENT	3,755.95	PY
12-17	12-17	75569632352352111111211	WIRE PAYMENT	4,785.60	PY
12-18	12-18	75569632353353111111234	WIRE PAYMENT	15,711.37	PY
12-19	12-19	75569632354354111111124	WIRE PAYMENT	1,354.55	PY

NEW ACTIVITY												
MONICA GREEN				CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY					
[REDACTED]				\$0.00	\$11,267.16	\$125.00	\$11,392.16					
Post Date	Tran Date	Reference Number	Transaction Description	Amount								
11-26	11-23	00000000004600002035000	"FINANCE CHARGE" CASH ADVANCE FEE	2.13								
11-26	11-23	00000000004600002035000	CASH ADVANCE FROM	125.00								
11-28	11-28	554129502326849493080229	WGB H ASSOCIATES 001152 -ST. PAUL -MN	30.71								
11-28	11-28	554129502326849493080229	AMAZON.COM AMZN.COM/BILL WA	71.57								
12-03	11-30	554129502326849493080229	AMAZON.COM AMZN.COM/BILL WA	175.00								
12-03	11-30	554129502326849493080229	ALLIANCE REPORTING SER MINEOLA NY	1,581.25								
12-03	11-30	554129502326849493080229	ALLIANCE REPORTING SER MINEOLA NY	1,922.50								
12-03	11-30	554129502326849493080229	ALLIANCE REPORTING SER MINEOLA NY	1,891.00								
12-17	12-14	554129502326849493080229	PAYPAL "DIRECTPROCE 4029357733 CA	95.00								
12-17	12-14	554129502326849493080229	PAYPAL "DIRECTPROCE 4029357733 CA	155.00								
12-17	12-14	554129502326849493080229	SO "DOWNTOWN PROCESS S SUNRISE FL	45.00								
12-17	12-14	554129502326849493080229	CONNECTICUT PROCESS SE 0805282820 CT	113.00								
12-17	12-14	554129502326849493080229	ALLIANCE REPORTING SER MINEOLA NY	1,523.50								
12-17	12-14	554129502326849493080229	ALLIANCE REPORTING SER MINEOLA NY	709.00								
12-17	12-14	554129502326849493080229	ALLIANCE REPORTING SER MINEOLA NY	1,413.25								
12-17	12-14	554129502326849493080229	ALLIANCE REPORTING SER MINEOLA NY	1,539.25								
MELISSA CSIGI												
[REDACTED]				CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY					
[REDACTED]				\$0.00	\$16,182.59	\$16,460.77	\$34,643.36					
Post Date	Tran Date	Reference Number	Transaction Description	Amount								
11-23	11-21	55429502326849493080229	PAYPAL *MASTERTRANS 4029357733 CA	3,061.58								



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NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
11-23	11-20		THE UPS STORE 2016 WASHINGTON DC	5.00
11-23	11-21		COOPER MOELLER, LLC 08774763376 MO	550.50
11-26	11-21		TEAM LEGAL 713-9374242 TX	794.75
11-26	11-21		TEAM LEGAL 713-9374242 TX	794.75
11-26	11-21		NATIONAL DEPO FLORHAM PARK NJ	556.36
11-26	11-21		ANDERSON COURT REPORTI 703-5197180 VA	516.80
11-26	11-21		ANDERSON COURT REPORTI 703-5197180 VA	1,569.97
11-26	11-21		ANDERSON COURT REPORTI 703-5197180 VA	1,318.31
11-26	11-21		ANDERSON COURT REPORTI 703-5197180 VA	1,386.23
11-26	11-21		ANDERSON COURT REPORTI 703-5197180 VA	710.16
11-26	11-21		LANGUAGE INNOVATIONS L WASHINGTON DC	675.00
11-26	11-23		*FINANCE CHARGE* CASH ADVANCE FEE	5.39
11-26	11-23		CASH ADVANCE FROM -	317.10
11-26	11-23	00000000004600003023000	ST LOUIS INVESTIGA001405 -ST. PAUL -MN	0.94
11-26	11-23	00000000004600003023000	*FINANCE CHARGE* CASH ADVANCE FEE	55.40
11-26	11-23	00000000004600003023000	CASH ADVANCE FROM -	
11-26	11-23	00000000004600003023000	ST LOUIS INVESTIGA001410 -ST. PAUL -MN	37.08
11-26	11-23	00000000004600003023000	*FINANCE CHARGE* CASH ADVANCE FEE	2,181.25
11-26	11-23	00000000004600003023000	CASH ADVANCE FROM -	
11-26	11-23	00000000004600003023000	LAW OFFICES OF CAR001403 -ST. PAUL -MN	4.54
11-26	11-23	00000000004600003023000	*FINANCE CHARGE* CASH ADVANCE FEE	267.14
11-26	11-23	00000000004600003023000	CASH ADVANCE FROM -	
11-27	11-26	00000000004600003030300	MODUS LLC 001404 -ST. PAUL -MN	23.29
11-27	11-26	00000000004600003030300	*FINANCE CHARGE* CASH ADVANCE FEE	1,369.80
11-27	11-26	00000000004600003030300	CASH ADVANCE FROM -	
11-29	11-28	00000000004600006011000	KARYN ABBOTT & AS 001402 -ST. PAUL -MN	1.49
11-29	11-28	00000000004600006011000	*FINANCE CHARGE* CASH ADVANCE FEE	87.63
11-29	11-28	00000000004600006011000	CASH ADVANCE FROM -	
11-30	11-29	00000000004600007023000	BANK OF AMERICA 001401 -ST. PAUL -MN	0.20
11-30	11-29	00000000004600007023000	*FINANCE CHARGE* CASH ADVANCE FEE	11.50
11-30	11-29	00000000004600007023000	CASH ADVANCE FROM -	
12-04	12-03	55500372338286830100244	SECRETARY OF STATE001408 -ST. PAUL -MN	163.80
12-04	12-03	00000000004600006034000	SOUTHERN DISTRICT R NEW YORK NY	6.54
12-04	12-03	00000000004600006034000	*FINANCE CHARGE* CASH ADVANCE FEE	384.45
12-04	12-03	00000000004600006034000	CASH ADVANCE FROM -	
12-04	12-03	00000000004600006035000	THIBAUT SUHR 001412 -ST. PAUL -MN	12.77
12-04	12-03	00000000004600006035000	*FINANCE CHARGE* CASH ADVANCE FEE	751.25
12-04	12-03	00000000004600006035000	CASH ADVANCE FROM -	
12-05	12-04	00000000004600004017000	THIBAUT SUHR 001411 -ST. PAUL -MN	1.02
12-05	12-04	00000000004600004017000	*FINANCE CHARGE* CASH ADVANCE FEE	60.00
12-05	12-04	00000000004600004017000	CASH ADVANCE FROM -	
12-06	12-05	55480772342207623200032	LA SALLE PROCESS S001413 -ST. PAUL -MN	1,208.30
12-06	12-04	55480772342207623200040	TAYLOR JONOVIC WHITE & 03053589047 FL	69.00
12-06	12-05	55480772342207623200040	IT'S YOUR SERVE CHICAGO IL	240.00
12-06	12-05	55480772342207623200040	CAPITOL PROCESS SERVIC 202-4373167 DC	494.03
12-06	12-05	55480772342207623200040	RESPONSIVE DATA SOLUTI WASHINGTON DC	2.13
12-06	12-05	55480772342207623200040	*FINANCE CHARGE* CASH ADVANCE FEE	125.00
12-06	12-05	55480772342207623200040	CASH ADVANCE FROM -	
12-07	12-06	55480772342207623200032	ALAN R DAVIS 001409 -ST. PAUL -MN	547.60
12-07	12-06	55480772342207623200040	FRONT RANGE LEGAL PROC 09702679109 CO	75.00
12-07	12-06	55480772342207623200040	FRONT RANGE LEGAL PROC 09702679109 CO	75.00
12-10	12-07	00000000004600008021000	FRONT RANGE LEGAL PROC 09702679109 CO	75.00
12-10	12-07	00000000004600008021000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09
12-10	12-07	00000000004600008021000	CASH ADVANCE FROM -	5.00
12-10	12-07	00000000004600008021000	CLERK OF SUPREME C001426 -ST. PAUL -MN	0.09
12-10	12-07	00000000004600008021000	*FINANCE CHARGE* CASH ADVANCE FEE	5.00
12-10	12-07	00000000004600008021000	CASH ADVANCE FROM -	
12-12	12-11	00000000004600006010000	CLERK OF SUPREME C001425 -ST. PAUL -MN	2.55
12-12	12-11	00000000004600006010000	*FINANCE CHARGE* CASH ADVANCE FEE	150.00
12-12	12-11	00000000004600006010000	CASH ADVANCE FROM -	
12-12	12-11	00000000004600006025000	REYNOLDS PROFESSION001420 -ST. PAUL -MN	25.82
12-12	12-11	00000000004600006025000	*FINANCE CHARGE* CASH ADVANCE FEE	1,577.70
12-12	12-11	00000000004600006025000	CASH ADVANCE FROM -	
12-12	12-11	00000000004600006025000	SUSAN SOBLE ASSOCI001421 -ST. PAUL -MN	





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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-26	11-23	0000000004600016028000	CASH ADVANCE FROM -	95.00	
12-03	11-29	55458852335205540400334	A TEAM DETECTIVES 001043 -ST. PAUL -MN HOTEL AT KIRKWOOD CTR CEDAR RAPIDS IA 0000025978 ARRIVAL: 11-27-12	354.00	
Department: 05002 Total:				\$450.62	
Division: 00001 Total:				\$46,658.10	
JANIS KELLY [REDACTED]		CREDITS \$182.36	PURCHASES \$4,483.93	CASH ADV \$0.00	TOTAL ACTIVITY \$4,301.57
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-23	11-22	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	91.96	
11-27	11-26	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	39.98	
11-27	11-26	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	38.02	
11-28	11-27	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	79.52	
12-03	12-01	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	45.60	
12-03	12-01	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	369.41	
12-03	12-01	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	91.20	
12-04	12-03	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	58.57	
12-04	12-03	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	91.20	
12-04	12-03	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	313.16	
12-04	12-03	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	90.64	
12-07	12-06	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	147.21	
12-10	12-07	[REDACTED]	STANDARD OFFICE SUPPLY 02028294820 DC	341.46	
12-12	12-11	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	179.31	
12-13	12-12	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	304.64	
12-13	12-12	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	179.97	
12-13	12-12	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	31.72	
12-13	12-12	[REDACTED]	OFFICE DEPOT #1170 800-463-3768 OH	26.99	
12-14	12-12	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	182.36 CR	
12-14	12-13	[REDACTED]	STAPLS9234933730000 800-3333330 CA	239.96	
12-17	12-14	[REDACTED]	STAPLS9234988883000 800-3333330 CA	375.92	
12-17	12-14	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	752.12	
12-17	12-14	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	534.62	
12-18	12-17	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA	59.95	
LOU BERMAN [REDACTED]		CREDITS \$0.00	PURCHASES \$635.00	CASH ADV \$0.00	TOTAL ACTIVITY \$635.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-18	12-17	55457022352207098500021	W E BOWERS & ASSOC INC 03014192488 MD	635.00	
HENRY HANSEN [REDACTED]		CREDITS \$0.00	PURCHASES \$508.02	CASH ADV \$440.00	TOTAL ACTIVITY \$948.02
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-05	12-04	55547502340123343010011	CALDERON LOCKSMITH NEW YORK NY	334.00	



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-12	12-11	05436842347500032236951	OFFICE DEPOT #6910 800-463-3768 PA	104.58	
12-13	12-12	05410192348105124549326	STAPLES 00101931 NEW YORK NY	61.96	
12-13	12-12	0000000004600005035000	*FINANCE CHARGE* CASH ADVANCE FEE	7.48	
12-13	12-12	0000000004600005035000	CASH ADVANCE FROM -	440.00	
			MERIDIEN ASSOC 001059 -ST. PAUL -MN		
NYREE THOMAS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$14.96	\$880.00	\$894.96
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-14	12-13	0000000004600009036000	*FINANCE CHARGE* CASH ADVANCE FEE	14.96	
12-14	12-13	0000000004600009036000	CASH ADVANCE FROM -	880.00	
			MERIDIEN ASSOC 001057 -ST. PAUL -MN		
SARAH JAMBROSEK		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$2,074.50	\$0.00	\$2,074.50
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-17	12-14	55547502349122925010242	GARVEY'S OFFICE PRODUC 08475881690 IL	2,074.50	
THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$13.79	\$0.00	\$13.79
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-21	11-20	55310202325083007137800	IRON MOUNTAIN 08003278345 MA	13.79	
Department: 05004 Total:				\$8,867.84	
MARGIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$2,185.55	\$0.00	\$2,185.55
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-23	11-20	854411223000000000000000	BECKWELL CATERERS BETHESDA MD	91.45	
11-23	11-20	854411223000000000000000	BECKWELL CATERERS BETHESDA MD	835.20	
11-28	11-27	223048772200000000000000	PORT OF PROBLETS II WASHINGTON DC	198.80	
11-28	11-27	223048772200000000000000	PORT OF PROBLETS II WASHINGTON DC	99.40	
11-28	11-26	851411223000000000000000	BECKWELL CATERERS BETHESDA MD	170.05	
11-28	11-26	851411223000000000000000	BECKWELL CATERERS BETHESDA MD	394.65	
12-03	11-30	851411223000000000000000	BECKWELL CATERERS BETHESDA MD	396.00	



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NEW ACTIVITY					
Department: 05006 Total:				\$2,185.55	
Division: 00003 Total:				\$11,053.39	
<b>NICHOLAS GRAHAM</b>		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$1,655.50	\$0.00	\$1,655.50
Post Date	Tran Date	Reference Number	Transaction Description		Amount
12-10	12-07	75306372343165102660456	THE SIGNATURE ROOM AT CHICAGO IL		1,655.50
<b>SONDA R OWENS</b>		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$6,288.42	\$700.00	\$6,988.42
Post Date	Tran Date	Reference Number	Transaction Description		Amount
11-21	11-20	00000000004600004021000	*FINANCE CHARGE* CASH ADVANCE FEE		11.90
11-21	11-20	00000000004600004021000	CASH ADVANCE FROM -		700.00
11-28	11-27	55500372332286830700072	GALLAUDET UNIVERSITY 001130 - ST. PAUL - MN		82.80
11-29	11-20	55500372332286830800036	SOUTHERN DISTRICT R NEW YORK NY		193.72
12-04	12-01	7576052338338232788000	SOCIAL SCIENCE ELECTRO 585-4428170 NY		1,000.00
12-19	12-18	55436872354733545353714	ASSOCIATION OF GOVERNMENT 703-6846931 VA		2,000.00
Department: 05007 Total:				\$8,643.92	
Division: 00004 Total:				\$8,643.92	
<b>ANDRIETTA MINTER</b>		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$310.00	\$7,753.54	\$0.00	\$7,443.54
Post Date	Tran Date	Reference Number	Transaction Description		Amount
11-27	11-26	55436872354733545353714	GRADUATE SCHOOL REG 08887444723 DC		3,463.00
11-30	11-28	55436872354733545353714	OPM-PHIL SVC CTR PHILADELPHIA PA		340.00
11-30	11-28	55436872354733545353714	OPM-PHIL SVC CTR PHILADELPHIA PA		340.00
11-30	11-28	55436872354733545353714	OPM-PHIL SVC CTR PHILADELPHIA PA		340.00
12-03	11-29	55436872354733545353714	THEREGGROUP 2024663205 VA		725.00
12-07	12-07	55436872354733545353714	ENERGY BAR ASSOCIA WASHINGTON DC		200.00
12-07	12-06	55436872354733545353714	GRADUATE SCHOOL REG 08887444723 DC		375.00
12-07	12-06	55436872354733545353714	GRADUATE SCHOOL REG 08887444723 DC		375.00
12-10	12-06	55436872354733545353714	MANAGEMENT CONCEPTS TYSONS CORNER VA		1,069.00
12-17	12-14	55436872354733545353714	WWW.SPECIALTY-BOOKS.CO 402-4217300 NE		135.04
12-19	12-18	55436872354733545353714	JOBTARGET LLC 8604400635 CT		250.00CR
12-19	12-18	55436872354733545353714	JOBTARGET LLC 8604400635 CT		60.00CR
12-19	12-17	55436872354733545353714	WWW.SPECIALTY-BOOKS.CO 402-4217300 NE		141.50
12-19	12-17	55436872354733545353714	ALLIED SOCIAL SCIENCE 06153223726 TN		125.00
12-19	12-17	55436872354733545353714	ALLIED SOCIAL SCIENCE 06153223726 TN		125.00
<b>CYNTHIA WATSON</b>		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$1,794.13	\$37,583.19	\$0.00	\$35,789.06



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NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
11-21	11-21	554129604 3 33600000000000000000	ATT*BUS PHONE PMT 800-660-3000 TX	47.89	
11-21	11-21	554129604 3 33600000000000000000	DMP*DELL FEDERAL 800-727-1100 TX	2,478.65	
11-23	11-21	554129604 3 33600000000000000000	DTV*DIRECTV SERVICE 800-347-3288 CA	234.99	
11-23	11-21	554129604 3 33600000000000000000	TWC*TIME WARNER CABLE 816-358-8833 NY	253.35	
11-28	11-27	554129604 3 33600000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	146.77	
11-28	11-27	554129604 3 33600000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	8.29	
11-29	11-28	554129604 3 33600000000000000000	EN POINTE GOV INC 310-337-5200 CA	10,208.34	
11-29	11-29	554129604 3 33600000000000000000	SERVER SUPPLY.COM INC 800-413-6989 NY	188.63	
11-30	11-30	554129604 3 33600000000000000000	SERVER SUPPLY.COM INC 800-413-6989 NY	15.38CR	
11-30	11-29	554129604 3 33600000000000000000	GRASSHOPPER GROUP, LLC NEEDHAM MA	59.30	
12-03	11-30	554129604 3 33600000000000000000	DLT SOLUTIONS 703-773- HERNDON VA	1,444.05	
12-03	11-30	554129604 3 33600000000000000000	DLT SOLUTIONS 703-773- HERNDON VA	1,444.05	
12-03	12-01	554129604 3 33600000000000000000	CARAH*SOFT TECHNOLOGY C 703-8718500 VA	252.20	
12-04	12-03	554129604 3 33600000000000000000	ATTM *287240832047 08003310500 GA	1,931.40	
12-04	12-02	554129604 3 33600000000000000000	AUTOPAY/DISH NTWK 800-894-9131 CO	146.99	
12-05	12-05	554129604 3 33600000000000000000	COMCAST OF WASHINGTON 800-COMCAST DC	106.95	
12-06	12-04	554129604 3 33600000000000000000	CDM COUNCIL KENSINGTON MD	2,500.00	
12-12	12-11	554129604 3 33600000000000000000	OPERATIONAL RESEARCH C 703-4244610 VA	9,836.64	
12-13	12-05	554129604 3 33600000000000000000	PROVANTAGE LLC 800-3361166 OH	334.70CR	
12-13	12-11	554129604 3 33600000000000000000	CAPP USA 610-3941142 PA	23.68	
12-14	12-12	554129604 3 33600000000000000000	AUTOPAY/DISH NTWK 800-894-9131 CO	118.99	
12-17	12-13	554129604 3 33600000000000000000	DLT SOLUTIONS 703-773- HERNDON VA	1,444.05CR	
12-17	12-14	554129604 3 33600000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	393.90	
12-17	12-13	554129604 3 33600000000000000000	PLUG-IN STORAGE SYSTEM WEST HAVEN CT	4,400.63	
12-17	12-14	554129604 3 33600000000000000000	A&T NETWORKS COLUMBIA MD	1,357.30	
Department: 05009 Total:				\$43,232.60	
BEVERLY BROWN [REDACTED]					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$9,334.65	\$0.00	\$9,334.65
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-03	11-29	554129604 3 33600000000000000000	COMPUTECH INTERNATI GREAT NECK NY	3,787.50	
12-14	12-12	554129604 3 33600000000000000000	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	2,499.00	
12-14	12-12	554129604 3 33600000000000000000	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	1,209.96	
12-17	12-16	554129604 3 33600000000000000000	APL*APPLE ITUNES STORE 866-712-7753 CA	64.69	
12-17	12-14	554129604 3 33600000000000000000	A&T NETWORKS COLUMBIA MD	1,453.50	
12-18	12-17	554129604 3 33600000000000000000	DUPONT COMPUTER INC 202-2326363 DC	360.00	
Department: 05010 Total:				\$9,334.65	
Division: 00005 Total:				\$52,567.25	
DANIEL MAY [REDACTED]					
		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$5,475.25	\$0.00	\$5,475.25
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-07	12-07	55417342342153425933398	IHS GLOBAL 303-3972437 CO	5,250.00	
12-07	12-06	55429502341849531949709	AGRESOURCEC 3124080045 IL	65.00	
12-12	12-11	55446412347286906800016	GT UNIV LAW LIBRARY WASHINGTON DC	20.00	
12-13	12-12	55432862347000607835631	AMER. SOCIETY OF MILIT 703-549-0360 VA	120.00	
12-19	12-19	55432862354000449989760	AMAZON.COM AMZN.COM/BILL WA	20.25	



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NEW ACTIVITY				
Department: 05013 Total:			\$5,475.25	
Division: 00007 Total:			\$5,475.25	
JAMES KELLY M1 HO		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$0.00	\$322.08	\$0.00
		TOTAL ACTIVITY		
		\$322.08		
Post Date	Tran Date	Reference Number	Transaction Description	Amount
11-21	11-19	55432862347000759794586	MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99
11-30	11-29	55432862347000759794586	EXXONMOBIL 47821449 WASHINGTON DC	68.10
12-03	11-30	55432862347000759794586	MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99
12-03	11-30	55432862347000759794586	SUNOCO 0299792200 WASHINGTON DC	81.00
12-05	12-03	55432862347000759794586	MR. WASH CAR WASH #6 ALEXANDRIA VA	15.99
12-13	12-12	55432862347000759794586	EXXONMOBIL 47821814 WASHINGTON DC	50.01
12-13	12-11	55432862347000759794586	SUNOCO 0299792200 WASHINGTON DC	75.00

Department: 05017 Total: \$322.08  
Division: 00010 Total: \$322.08



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000004547 2 SP 106481975166004 S  
CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 01-19-2013  
AMOUNT DUE \$8,579.56  
NEW BALANCE \$8,579.56  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$  
Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	+ Checks	+ Check + Fee	- Credits	- Current Activity	Payments	Account Balance
Company Total	\$5,566.16	\$85,580.87	\$0.00	\$7,834.00	\$133.23	\$437.37	\$93,111.63	\$90,098.23	\$8,579.56

Default Accounting Code:		
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER [REDACTED]	
	STATEMENT DATE 01/19/13	DISPUTED AMOUNT .00
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	AMOUNT DUE  8,579.56	
	ACCOUNT SUMMARY	
		PREVIOUS BALANCE 5,566.16
		PURCHASES & OTHER CHARGES 85,580.87
		SELF ASSESSED INTEREST PENALTY .00
		CHECKS 7,834.00
		CHECK FEE 133.23
		CREDITS 437.37
		CURRENT BILLING ACTIVITY 93,111.63
		PAYMENTS 90,098.23
		ACCOUNT BALANCE 8,579.56



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 01-19-2013

CORPORATE ACCOUNT ACTIVITY					
CFTC		TOTAL CORPORATE ACTIVITY			
[REDACTED]		\$90,098.23 CR			
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-20	12-20	75569632355355111111120	WIRE PAYMENT	5,566.16	PY
12-21	12-21	75569632356356111111127	WIRE PAYMENT	5,988.46	PY
12-27	12-26	75569632362362111111168	WIRE PAYMENT	2,747.33	PY
12-27	12-26	75569632362362111111176	WIRE PAYMENT	6,052.16	PY
12-28	12-28	75569632363363111111173	WIRE PAYMENT	1,439.73	PY
12-31	12-31	75569632366366111111124	WIRE PAYMENT	1,989.47	PY
01-02	01-02	75569633002002111111123	WIRE PAYMENT	5,548.49	PY
01-03	01-03	75569633003003111111120	WIRE PAYMENT	99.99	PY
01-04	01-04	75569633004004111111127	WIRE PAYMENT	3,258.38	PY
01-07	01-07	75569633007007111111135	WIRE PAYMENT	6,544.63	PY
01-08	01-08	75569633008008111111124	WIRE PAYMENT	14,816.42	PY
01-10	01-10	75569633010010111111209	WIRE PAYMENT	1,856.63	PY
01-10	01-09	75569633010010111111670	WIRE PAYMENT	3,295.74	PY
01-11	01-11	75569633011011111111123	WIRE PAYMENT	13,896.68	PY
01-14	01-14	75569633014014111111124	WIRE PAYMENT	2,903.39	PY
01-15	01-15	75569633015015111111120	WIRE PAYMENT	169.84	PY
01-16	01-16	75569633016016111111127	WIRE PAYMENT	5,109.05	PY
01-18	01-18	75569633018018111111121	WIRE PAYMENT	6,111.92	PY
01-18	01-17	75569633018018111111360	WIRE PAYMENT	2,703.76	PY

NEW ACTIVITY					
KATHRYN M RISON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$3,247.09	\$0.00	\$3,247.09
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-24	12-21	55480772357200292800010	ATKINSON-BAKER INC 08185517310 CA	1,899.80	
12-24	12-21	85504992358900013728620	ANDERSON COURT REPORT 703-5197180 VA	1,347.29	
Department: 00000 Total:				\$3,247.09	
Division: 00000 Total:				\$3,247.09	
MONICA GREEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$7,432.13	\$0.00	\$7,432.13
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-04	01-02	85504993003900013955501	ANDERSON COURT REPORT 703-5197180 VA	2,653.88	
01-16	01-15	55432863015000814610859	SQ "DOWNTOWN PROCESS S SUNRISE FL	1,450.00	
01-17	01-15	85179723016701913318687	ALLIANCE REPORTING SER MINEOLA NY	1,350.25	
01-17	01-15	85179723016701913318695	ALLIANCE REPORTING SER MINEOLA NY	1,675.75	
01-17	01-15	85179723016701913318703	ALLIANCE REPORTING SER MINEOLA NY	1,707.25	
MELISSA CSIGI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$7,901.10	\$7,467.72	\$15,368.82



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 01-19-2013

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-21	12-20	55445412356206065800019	AMICUS COURT REPORTERS 08558005465 IL	239.01	
12-24	12-21	00000000004600005027000	*FINANCE CHARGE* CASH ADVANCE FEE	0.26	
12-24	12-21	00000000004600005027000	CASH ADVANCE FROM -	15.00	
12-24	12-21	00000000004600011017000	TREASURER OF VIRGINIA001432 -ST. PAUL -MN	0.12	
12-24	12-21	00000000004600011017000	*FINANCE CHARGE* CASH ADVANCE FEE	7.00	
12-27	12-26	0000000000460002038000	CASH ADVANCE FROM -	15.53	
12-27	12-26	0000000000460002038000	CLERK COUNTY OF AP001430 -ST. PAUL -MN	913.30	
01-04	01-03	00000000004600004006000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09	
01-04	01-03	00000000004600004006000	CASH ADVANCE FROM -	5.00	
01-04	01-03	00000000004600005021000	CLERK DC COURT OF 001434 -ST. PAUL -MN	5.36	
01-04	01-03	00000000004600005021000	*FINANCE CHARGE* CASH ADVANCE FEE	315.00	
01-04	01-03	00000000004600007031000	CASH ADVANCE FROM -	24.53	
01-04	01-03	00000000004600007031000	4TH CORNER NETWORK001436 -ST. PAUL -MN	1,442.70	
01-04	01-03	00000000004600007032000	*FINANCE CHARGE* CASH ADVANCE FEE	75.00	
01-04	01-03	00000000004600007032000	CASH ADVANCE FROM -	14.70	
01-04	01-03	00000000004600007033000	SUSAN SOBLE ASSOC 001437 -ST. PAUL -MN	864.70	
01-04	01-03	00000000004600007033000	*FINANCE CHARGE* CASH ADVANCE FEE	10.75	
01-07	01-04	00000000004600007033000	CASH ADVANCE FROM -	632.50	
01-07	01-04	00000000004600007033000	SUSAN SOBLE ASSOC001438 -ST. PAUL -MN	917.50	
01-07	01-04	00000000004600007033000	IN DEMAND DOCUMENT SER CHICAGO IL	3,407.70	
01-07	01-04	00000000004600007033000	IN DEMAND DOCUMENT SER CHICAGO IL	75.00	
01-07	01-04	00000000004600007033000	FRONT RANGE LEGAL PROC 09702679109 CO	1,145.65	
01-07	01-04	00000000004600007033000	REAL TIME REPORTERS 03125789323 IL	1,346.00	
01-07	01-04	00000000004600007033000	REAL-TIME REPORTERS 03125789323 IL	25.53	
01-07	01-04	00000000004600007033000	*FINANCE CHARGE* CASH ADVANCE FEE	1,501.60	
01-07	01-04	00000000004600002016000	CASH ADVANCE FROM -	26.40	
01-07	01-04	00000000004600002016000	CARSON REPORTING 0001440 -ST. PAUL -MN	1,552.92	
01-08	01-07	55436873007160073988589	*FINANCE CHARGE* CASH ADVANCE FEE	85.26	
01-09	01-07	25486753008000218376506	CASH ADVANCE FROM -	558.00	
01-11	01-10	00000000004600006009000	INDATA CORPORATION001441 -ST. PAUL -MN	2.69	
01-11	01-10	00000000004600006009000	JANNEY AND JANNEY ATTO LOS ANGELES CA	158.00	
01-14	01-11	00000000004600002010000	*FINANCE CHARGE* CASH ADVANCE FEE	0.85	
01-14	01-11	00000000004600002010000	CASH ADVANCE FROM -	50.00	
01-15	01-14	00000000004600005024000	DELEWARE DIVISION 001435 -ST. PAUL -MN	0.17	
01-15	01-14	00000000004600005024000	*FINANCE CHARGE* CASH ADVANCE FEE	10.00	
			CASH ADVANCE FROM -		
			SECRETARY BOARD OF001428 -ST. PAUL -MN		
LEA-ANN BIGFLOW		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$99.99	\$0.00	\$99.99
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-02	01-01	55546553001471583261123	NUMBR SACRAMENTO CA	99.99	
Department: 05001 Total:				\$22,900.94	
Division: 03001 Total:				\$22,900.94	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 01-19-2013

NEW ACTIVITY						
JAMIS KELLY		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$408.28	\$3,635.13	\$0.00	\$3,226.85	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
12-24	12-22	[REDACTED]	STAPLS9234988883001 EUREKA CA		98.98CR	
12-24	12-22	[REDACTED]	STAPLS9234988883001 EUREKA CA		98.98CR	
12-24	12-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		150.75CR	
12-24	12-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		63.21	
12-24	12-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		158.65	
12-24	12-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		29.39	
12-24	12-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		227.65	
12-24	12-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		251.70	
12-24	12-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		25.20	
12-24	12-21	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		299.56	
12-24	12-20	[REDACTED]	TELE-MEDIA SFP DANVILLE PA		694.31	
12-28	12-27	[REDACTED]	STAPLS9234988883001 EUREKA CA		98.98	
12-28	12-27	[REDACTED]	STAPLS9234988883001 EUREKA CA		98.98	
01-02	12-31	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		58.57CR	
01-02	01-01	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		59.57	
01-04	01-03	[REDACTED]	CUBICLE KEYS.COM 05026344228 KY		56.00	
01-09	01-08	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		493.22	
01-09	01-08	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		497.00	
01-10	01-09	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		57.04	
01-10	01-09	[REDACTED]	OMNIFICS ALEXANDRIA VA		390.00	
01-17	01-16	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		134.67	
LOU BERMAN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$445.16	\$0.00	\$445.16	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
12-20	12-19	85454912354900018600924	KENSINGTON GLASS ARTS UJAMSVILLE MD		375.00	
01-04	01-03	55436873003160034929767	HOOKERS REPAIR SERVICE 562-5312203 CA		12.33	
01-15	01-14	55429503014849947295295	MARINELOCK LLC 9062972500 MI		57.83	
HENRY HANSEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$0.00	\$852.70	\$0.00	\$852.70	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
01-11	01-10	05436843011500031721162	OFFICE DEPOT #5910 800-463-3768 PA		852.70	
NYREE THOMAS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
[REDACTED]		\$29.09	\$4,943.81	\$0.00	\$4,914.72	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
12-27	12-06	55547502361123705011825	ALL STATE LEGAL CRANFORD NJ		510.90	
12-28	12-27	05436842363000132472183	OFFICE DEPOT #5910 800-463-3768 PA		407.82	
12-28	12-27	05436842363000132472266	OFFICE DEPOT #5910 800-463-3768 PA		724.84	
01-03	01-02	55460293003206000000024	PAC PLBG HTG & A/C 07187204980 NY		1,100.00	
01-04	01-03	05436843004500035533075	OFFICE DEPOT #5910 800-463-3768 PA		29.09	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 01-19-2013

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-07	01-04	55547503006123352010012	CALDERON LOCKSMITH NEW YORK NY	2,171.16	
01-09	01-07	05435843008100137635930	OFFICE DEPOT #5910 800-463-3768 PA	29.09	CR
SARAH JAMBROSEK			CREDITS	PURCHASES	CASH ADV
[REDACTED]			\$0.00	\$4,326.56	\$0.00
					TOTAL ACTIVITY
					\$4,326.56
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-15	01-14	55547503014122943010119	GARVEY'S OFFICE PRODUC 08475881680 IL	2,074.50	
01-18	01-17	55547503017122946010097	GARVEY'S OFFICE PRODUC 08475881680 IL	2,252.06	
THOMAS WILLIAMS			CREDITS	PURCHASES	CASH ADV
[REDACTED]			\$0.00	\$2.64	\$155.00
					TOTAL ACTIVITY
					\$157.64
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-21	12-20	00000000004600005039000	*FINANCE CHARGE* CASH ADVANCE FEE	2.64	
12-21	12-20	00000000004600005039000	CASH ADVANCE FROM -	155.00	
			LIFE FITNESS 001063 -ST. PAUL -MN		
Department: 05004 Total:				\$13,923.63	
MARGIE YATES			CREDITS	PURCHASES	CASH ADV
[REDACTED]			\$0.00	\$869.60	\$200.00
					TOTAL ACTIVITY
					\$1,069.60
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-20	12-18	25204672354000585162158	PORT OF PIRAEUS II WASHINGTON DC	388.20	
12-20	12-19	00000000004600003039000	*FINANCE CHARGE* CASH ADVANCE FEE	3.40	
12-20	12-19	00000000004600003039000	CASH ADVANCE FROM -	200.00	
			CFTC ERA 001054 -ST. PAUL -MN		
01-04	01-03	55500803003207000000095	SUN CLEANERS WASHINGTON DC	478.00	
CATHY WICKOWSKI			CREDITS	PURCHASES	CASH ADV
[REDACTED]			\$0.00	\$1,239.00	\$0.00
					TOTAL ACTIVITY
					\$1,239.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-08	01-07	55547503008122406010018	DESIGN MECHANICAL 09132817200 KS	1,239.00	
Department: 05006 Total:				\$2,308.60	
Division: 00003 Total:				\$16,232.23	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 01-19-2013

NEW ACTIVITY							
NICHOLAS GRAHAM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY		
[REDACTED]		\$0.00	\$4,082.61	\$0.00	\$4,082.61		
Post Date	Tran Date	Reference Number	Transaction Description		Amount		
01-10	01-09	55536073009816001748932	HILL MECHANICAL SERVIC 8474515066 IL		4,082.61		
SONDA R OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY		
[REDACTED]		\$9.00	\$10,291.50	\$0.00	\$10,291.50		
Post Date	Tran Date	Reference Number	Transaction Description		Amount		
01-07	01-04	00000000000000000000000000000000	DEPT OF INTERIOR - OS 703-390-6691 DC		2,400.00		
01-10	01-09	00000000000000000000000000000000	ATKINSON-BAKER INC 08185517310 CA		1,644.90		
01-10	01-09	00000000000000000000000000000000	ATKINSON-BAKER INC 08185517310 CA		1,135.55		
01-10	01-09	00000000000000000000000000000000	ATKINSON-BAKER INC 08185517310 CA		1,731.00		
01-10	01-09	00000000000000000000000000000000	ATKINSON-BAKER INC 08185517310 CA		1,540.60		
01-16	01-15	00000000000000000000000000000000	ATKINSON-BAKER INC 08185517310 CA		1,466.85		
01-16	01-15	00000000000000000000000000000000	SOUTHERN DISTRICT R NEW YORK NY		172.50		
01-16	01-17	00000000000000000000000000000000	SURVEYMONKEY.COM 971-2445555 CA		200.00		
Department: 05007 Total:					\$14,374.11		
Division: 00004 Total:					\$14,374.11		
ANDRIETTA MINTER		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY		
[REDACTED]		\$0.00	\$15,115.00	\$0.00	\$15,115.00		
Post Date	Tran Date	Reference Number	Transaction Description		Amount		
12-20	12-19	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		498.00		
12-20	12-19	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		498.00		
12-20	12-19	00000000000000000000000000000000	ENERGY MANAGEMENT 0732970154 NJ		1,695.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		225.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		80.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		125.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		325.00		
12-31	12-28	00000000000000000000000000000000	FUTURES INDUSTRY ASSOC 202-4665460 DC		350.00		
01-03	01-01	00000000000000000000000000000000	MANAGEMENT CONCEPTS TYSONS CORNER VA		1,999.00		
01-09	01-08	00000000000000000000000000000000	PAYPAL /SPKN W AUTH 4029357733 CA		337.50		
01-11	01-09	00000000000000000000000000000000	FIN MARKET WORLD 8888701975 NJ		895.00		
01-11	01-09	00000000000000000000000000000000	FIN MARKET WORLD 8888701975 NJ		895.00		
01-11	01-10	00000000000000000000000000000000	AMERICAN BAR ASSOCIATI 800-2852221 IL		100.00		
01-17	01-16	00000000000000000000000000000000	AMERICAN BAR ASSOCIATI 800-2852221 IL		100.00		
01-17	01-16	00000000000000000000000000000000	AMERICAN BAR ASSOCIATI 800-2852221 IL		415.00		
01-17	01-16	00000000000000000000000000000000	AMERICAN BAR ASSOCIATI 800-2852221 IL		100.00		



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 01-19-2013

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-17	01-16	55432862354000620251634	AMERICAN BAR ASSOCIATI 800-2852221 IL	490.00	
01-17	01-16	55432862354000620251634	AMERICAN BAR ASSOCIATI 800-2852221 IL	100.00	
01-18	01-17	55432862354000620251634	ISDA 212-901-6000 NY	687.50	
01-18	01-17	55432862354000620251634	FUTURES INDUSTRY ASSOC 202-4665460 DC	350.00	
01-18	01-17	55432862354000620251634	FUTURES INDUSTRY ASSOC 202-4665460 DC	350.00	
01-18	01-17	55432862354000620251634	AMERICAN BAR ASSOCIATI 800-2852221 IL	490.00	
CYNTHIA HATSON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$19,814.25	\$12.18	\$19,826.43
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-20	12-18	55432862354000620251634	PLUG-IN STORAGE SYSTEM WEST HAVEN CT	2,068.16	
12-21	12-20	55432862354000620251634	DEVELOPER EXPRESS INC 07022620609 CA	2,294.97	
12-24	12-21	55432862354000620251634	DR*WWW.ELEMENTS.INF MINNETONKA MN	300.00	
12-24	12-21	55432862354000620251634	GOVCNCTN 8068000913 NH	846.74	
12-24	12-21	55432862354000620251634	DTV/DIRECTV SERVICE 800-347-3288 CA	234.99	
12-28	12-28	55432862354000620251634	ATT*BUS PHONE PMT 800-660-3000 TX	47.89	
12-26	12-27	55432862354000620251634	CRIMSON IMAGING 310-3752266 CA	531.96	
12-31	12-28	55432862354000620251634	GSA/FAS 800-488-3111 VA	139.44	
12-31	12-29	55432862354000620251634	GRASSHOPPER GROUP, LLC NEEDHAM MA	59.30	
12-31	12-28	55432862354000620251634	FRANKLINCOVEYPRODUCTS 800-819-1812 UT	161.40	
12-31	12-29	55432862354000620251634	TWC*TIME WARNER CABLE 816-358-8833 NY	253.35	
01-03	01-01	55432862354000620251634	AUTOPAY/DISH NTWK 800-894-9131 CO	146.99	
01-03	01-02	55432862354000620251634	*FINANCE CHARGE* CASH ADVANCE FEE	0.21	
01-03	01-02	55432862354000620251634	CASH ADVANCE FROM	12.18	
01-07	01-05	55432862354000620251634	GMPCS PERSONAL COM001109 -ST. PAUL -MN		
01-08	01-07	55432862354000620251634	COMCAST OF WASHINGTON 800-COMCAST DC	106.95	
01-10	01-07	55432862354000620251634	ATTM *287240832047 08003310500 GA	1,971.48	
01-10	01-08	55432862354000620251634	VERIZON WRLS MYACCT VE FOLSOM CA	1,582.00	
01-10	01-09	55432862354000620251634	TWC*TIME WARNER NYC 718-358-0900 NY	1,732.88	
01-14	01-11	55432862354000620251634	AUTOPAY/DISH NTWK 800-894-9131 CO	118.99	
01-15	01-14	55432862354000620251634	SYNERGY TELECOM INC INDIANAPOLIS IN	540.00	
01-15	01-14	55432862354000620251634	SYNERGY TELECOM INC INDIANAPOLIS IN	150.00	
01-15	01-14	55432862354000620251634	ADORAMA INC 212-7410466 NY	611.55	
01-15	01-14	55432862354000620251634	REPLIWEB INC. POMPANO BEACH FL	1,665.00	
01-18	01-16	55432862354000620251634	DLT SOLUTIONS 703-773- HERNDON VA	4,250.00	
Department: 05009 Total:				\$34,941.43	
Division: 00005 Total:				\$34,941.43	
DANIEL MAY		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$111.69	\$0.00	\$111.69
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
12-20	12-19	55432862354000620251634	AMAZON MKTPLCE PMTS AMZN.COM/BILL WA	7.69	
01-07	01-05	55429503005049376550773	AGRESOURCEC 3124080045 IL	65.00	
01-17	01-15	55460293016200315900021	AMERICAN LAW INSTITUTE 08002536397 PA	39.00	
Department: 05013 Total:				\$111.69	
Division: 00007 Total:				\$111.69	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 01-19-2013

NEW ACTIVITY						
REFUNDA BUGH		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$944.00	\$0.00	\$944.00	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
01-16	01-15	55488723015200999300024	DEPOSITION SERVICES IN 03018813344 MD			594.00
01-16	01-15	55488723015200999300032	DEPOSITION SERVICES IN 03018813344 MD			196.00
01-16	01-15	55488723015200999300040	DEPOSITION SERVICES IN 03018813344 MD			154.00
Department: 05015 Total:						\$944.00
Division: 00008 Total:						\$944.00
VENITA HILL		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$79.00	\$0.00	\$79.00	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
12-28	12-27	55429502363027790302406	COURTCAI #5333484 03103420888 CA			79.00
Department: 05016 Total:						\$79.00
Division: 00009 Total:						\$79.00
IANIS KELLY W HO		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$281.14	\$0.00	\$281.14	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
12-20	12-18	55432862354000649290019	SUNOCO 0299792200 WASHINGTON DC			75.01
12-21	12-20	05486802356378003008480	EXXONMOBIL 47827449 WASHINGTON DC			55.71
01-07	01-03	55432863004000208031038	SUNOCO 0299792200 WASHINGTON DC			75.01
01-16	01-14	55432863015000789654882	SUNOCO 0299792200 WASHINGTON DC			0.41
01-16	01-14	55432863015000789654890	SUNOCO 0299792200 WASHINGTON DC			75.00



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000012 2 SP 106481020564447 S

CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER  
STATEMENT DATE 02-19-2013  
AMOUNT DUE \$0.00  
NEW BALANCE \$0.00  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$

Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	Check + Credits	Check + Fees	Current Activity	Payments	Account Balance	
Company Total	\$8,579.56	\$132,784.34	\$0.00	\$6,851.50	\$116.49	\$1,337.34	\$138,414.99	\$146,994.55	\$0.00

Default Accounting Code:

CUSTOMER SERVICE CALL		ACCOUNT NUMBER		ACCOUNT SUMMARY	
888-994-6722		STATEMENT DATE 02/19/13		PREVIOUS BALANCE 8,579.56	
				PURCHASES & OTHER CHARGES 132,784.34	
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335		AMOUNT DUE  <			



Company Name: CFTC
Corporate Account Number: 5568 6245 5500 3631
Statement Date: 02-19-2013

CORPORATE ACCOUNT ACTIVITY					
CFTC			TOTAL CORPORATE ACTIVITY		
			\$146,994.55 CR		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-22	01-22	7556963302202211111127	WIRE PAYMENT	12,005.38	PY
01-22	01-22	7556963302202211111135	WIRE PAYMENT	8,579.56	PY
01-23	01-23	7556963302302311111124	WIRE PAYMENT	1,652.99	PY
01-24	01-24	7556963302402411111121	WIRE PAYMENT	6,490.39	PY
01-25	01-25	7556963302502511111127	WIRE PAYMENT 012513	1,534.60	PY
01-28	01-28	7556963302802811111128	WIRE PAYMENT	5,316.64	PY
01-29	01-29	7556963302902911111125	WIRE PAYMENT	371.77	PY
01-30	01-30	7556963303003011111138	WIRE PAYMENT	3,258.36	PY
01-31	01-31	7556963303103111111127	WIRE PAYMENT	1,183.28	PY
02-01	02-01	7556963303203211111124	WIRE PAYMENT	4,775.72	PY
02-04	02-04	7556963303503511111157	WIRE PAYMENT	3,046.06	PY
02-05	02-05	7556963303603611111121	WIRE PAYMENT	19,363.96	PY
02-06	02-06	7556963303703711111136	WIRE PAYMENT	8,870.59	PY
02-07	02-07	7556963303803811111133	WIRE PAYMENT	7,305.65	PY
02-08	02-08	7556963303903911111122	WIRE PAYMENT	1,338.84	PY
02-11	02-11	7556963304204211111147	WIRE PAYMENT	1,630.86	PY
02-12	02-12	7556963304304311111128	WIRE PAYMENT	30,475.23	PY
02-13	02-13	7556963304404411111133	WIRE PAYMENT	750.00	PY
02-14	02-14	7556963304504511111139	WIRE PAYMENT	10,236.00	PY
02-15	02-15	7556963304604611111136	WIRE PAYMENT	7,682.79	PY
02-19	02-19	7556963305005011111131	WIRE PAYMENT	1,701.20	PY
02-19	02-19	7556963305005011111149	WIRE PAYMENT	9,423.66	PY

NEW ACTIVITY					
MONICA GREEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$3,067.99	\$69.30	\$3,137.29
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-21	01-18		MERRILL CORPORATION 651-9171550 MN	1,305.75	
01-21	01-18		ANDERSON COURT REPORTI 703-5197180 VA	1,678.07	
01-24	01-23		AMAZON PRIME 866-557-2820 NV	59.00	
02-18	02-15		AMAZON.COM AMZN.COM/BILL WA	23.99	
02-18	02-15		*FINANCE CHARGE* CASH ADVANCE FEE	1.18	
02-18	02-15		CASH ADVANCE FROM LISA SCHMID 001154 - ST. PAUL -MN	69.30	
MELISSA CSIGI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$33,815.86	\$4,462.70	\$38,278.56
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-21	01-18		NATIONAL DEPO FLORHAM PARK NJ	614.65	
01-21	01-18		NATIONAL DEPO FLORHAM PARK NJ	446.55	
01-21	01-18		CORPORATE LANGUAGE SER 212-7664111 NY	1,859.00	
01-21	01-18		CORPORATE LANGUAGE SER 212-7664111 NY	368.00	
01-21	01-18		CORPORATE LANGUAGE SER 212-7664111 NY	1,510.00	
01-21	01-18		IT'S YOUR SERVE CHICAGO IL	69.00	
01-21	01-17		PAYPAL *CALLAHANLAW 4028357733 CA	75.00	
01-21	01-17		PAYPAL *CALLAHANLAW 4028357733 CA	75.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 02-19-2013

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
01-24	01-23	00000000004600004012000	*FINANCE CHARGE* CASH ADVANCE FEE	4.25
01-24	01-23	00000000004600004012000	CASH ADVANCE FROM -	250.00
01-25	01-23	55421353024987148702549	UNITED PROCESS SER001443 -ST. PAUL -MN	
01-28	01-25	00003000004600008001000	IT'S YOUR SERVE CHICAGO IL	69.00
01-28	01-25	00003000004600008001000	*FINANCE CHARGE* CASH ADVANCE FEE	0.98
01-28	01-25	00003000004600008001000	CASH ADVANCE FROM -	57.59
01-28	01-25	00000000004600007015000	LEGAL EXPRESS 001433 -ST. PAUL -MN	
01-28	01-25	00000000004600007015000	*FINANCE CHARGE* CASH ADVANCE FEE	0.26
01-28	01-25	00000000004600007015000	CASH ADVANCE FROM -	15.00
01-30	01-29	254248753047047257204406	TREASURER OF VIRG001451 -ST. PAUL -MN	59.00
01-30	01-29	554248753047047257204406	BRANDYWINE PROCESS WILMINGTON DE	55.00
01-30	01-29	554248753047047257204406	STERLING MADISON CO 408-2953300 CA	149.54
01-31	01-29	554248753047047257204406	ZACCO & ASSOCIATES REP ORLANDO FL	125.00
01-31	01-29	554248753047047257204406	PAYPAL *SERVE FIRST 4029357733 CA	150.00
01-31	01-29	554248753047047257204406	PAYPAL *SERVE FIRST 4029357733 CA	75.00
01-31	01-29	554248753047047257204406	PAYPAL *SERVE FIRST 4029357733 CA	150.00
01-31	01-29	554248753047047257204406	PAYPAL *SERVE FIRST 4029357733 CA	75.00
01-31	01-29	554248753047047257204406	ALLIANCE REPORTING SER MINEOLA NY	713.50
01-31	01-29	554248753047047257204406	ANDERSON COURT REPORTI 703-5197180 VA	340.33
01-31	01-29	554248753047047257204406	ANDERSON COURT REPORTI 703-5197180 VA	723.40
01-31	01-29	554248753047047257204406	ANDERSON COURT REPORTI 703-5197180 VA	363.66
01-31	01-29	554248753047047257204406	ANDERSON COURT REPORTI 703-5197180 VA	331.94
02-01	01-30	554248753047047257204406	NATIONAL DEPO FLORHAM PARK NJ	509.20
02-01	01-31	554248753047047257204406	BRANDYWINE PROCESS WILMINGTON DE	59.00
02-04	01-31	554248753047047257204406	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,318.26
02-04	01-31	554248753047047257204406	VERITEXT HOLDING CORP FLORHAM PARK NJ	2,085.65
02-04	01-31	554248753047047257204406	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,926.89
02-04	01-31	554248753047047257204406	VERITEXT HOLDING CORP FLORHAM PARK NJ	2,358.35
02-04	01-31	554248753047047257204406	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,890.45
02-04	01-31	554248753047047257204406	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,527.60
02-04	02-01	554248753047047257204406	*FINANCE CHARGE* CASH ADVANCE FEE	6.91
02-04	02-01	554248753047047257204406	CASH ADVANCE FROM -	406.50
02-04	02-01	00000000004600002011000	WELLS FARGO 001448 -ST. PAUL -MN	
02-04	02-01	00000000004600002011000	*FINANCE CHARGE* CASH ADVANCE FEE	31.50
02-04	02-01	00000000004600002011000	CASH ADVANCE FROM -	1,853.10
02-04	02-01	00000000004600002012000	MARY MASLOWSKI CSR001450 -ST. PAUL -MN	
02-04	02-01	00000000004600002012000	*FINANCE CHARGE* CASH ADVANCE FEE	29.67
02-04	02-01	00000000004600002012000	CASH ADVANCE FROM -	1,745.10
02-04	02-01	00000000004600004019000	MARY MASLOWSKI CSR001449 -ST. PAUL -MN	
02-04	02-01	00000000004600004019000	*FINANCE CHARGE* CASH ADVANCE FEE	1.05
02-04	02-01	00000000004600004019000	CASH ADVANCE FROM -	61.50
02-05	02-04	554248753047047257204406	RAYNEE H MERCADO 001452 -ST. PAUL -MN	
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	530.00
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	1,046.10
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	658.00
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	516.30
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	1,521.50
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	651.20
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	563.60
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	1,358.75
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	1,058.75
02-05	02-04	554248753047047257204406	REAL-TIME REPORTERS 03125789323 IL	799.10
02-07	02-06	554248753047047257204406	*FINANCE CHARGE* CASH ADVANCE FEE	0.41
02-07	02-06	554248753047047257204406	CASH ADVANCE FROM -	24.00
02-07	02-06	00000000004600005024000	SHERL A RIOS 001454 -ST. PAUL -MN	
02-07	02-06	00000000004600005024000	*FINANCE CHARGE* CASH ADVANCE FEE	0.85
02-07	02-06	00000000004600005024000	CASH ADVANCE FROM -	50.03
02-18	02-15	25265863047047412517603	SHERL A RIOS 001453 -ST. PAUL -MN	
02-18	02-15	25486753047047257284505	OMAHA LEGAL SERVICES 402-6146100 NE	639.99
02-18	02-15	25486753047047257284505	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,064.72
02-18	02-15	25486753047047257284505	VERITEXT HOLDING CORP FLORHAM PARK NJ	979.10
02-18	02-15	25486753047047257284505	VERITEXT HOLDING CORP FLORHAM PARK NJ	1,643.60
02-18	02-15	55547503046253153010010	REAL-TIME REPORTERS 03125789323 IL	599.70



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 02-19-2013

NEW ACTIVITY						
LEA ANN BICELOW		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$99.99	\$0.00	\$99.99	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
01-30	01-29	55546553029471583261121	INUMBR SACRAMENTO CA		99.99	
Department: 05001 Total:					\$41,515.84	
SCOTT WILLIAMSON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$4.19	\$246.50	\$250.69	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
01-23	01-22	00000000004600004023000	*FINANCE CHARGE* CASH ADVANCE FEE		1.59	
01-23	01-22	00000000004600004023000	CASH ADVANCE FROM -		93.50	
01-30	01-29	00000000004600002039000	MARIANNE KUSA-RYLL001044 -ST. PAUL -MN		2.60	
01-30	01-29	00000000004600002039000	*FINANCE CHARGE* CASH ADVANCE FEE		153.00	
01-30	01-29	00000000004600002039000	CASH ADVANCE FROM -			
LEE A MARZELI 001045 -ST. PAUL -MN						
Department: 05002 Total:					\$250.69	
Division: 00001 Total:					\$41,766.53	
JANIS KELLY		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$4,338.12	\$0.00	\$4,338.12	
Post Date	Tran Date	Reference Number	Transaction Description		Amount	
01-24	01-23		YRC INC. 800-610-8500 OH		107.00	
01-30	01-29		OFFICE DEPOT #5910 800-463-3768 PA		226.45	
01-30	01-29		OFFICE DEPOT #5910 800-463-3768 PA		298.50	
01-30	01-29		OFFICE DEPOT #1170 800-463-3768 OH		66.20	
02-01	01-31		OFFICE DEPOT #5910 800-463-3768 PA		133.03	
02-01	01-31		OFFICE DEPOT #5910 800-463-3768 PA		118.00	
02-01	01-31		OFFICE DEPOT #5910 800-463-3768 PA		111.90	
02-01	01-31		OFFICE DEPOT #5910 800-463-3768 PA		921.40	
02-01	01-31		OFFICE DEPOT #5910 800-463-3768 PA		40.28	
02-05	02-04		STANDARD OFFICE SUPPLY 02028294820 DC		60.34	
02-07	02-06		OFFICE DEPOT #5910 800-463-3768 PA		70.08	
02-07	02-06		OFFICE DEPOT #5910 800-463-3768 PA		54.90	
02-07	02-06		STANDARD OFFICE SUPPLY 02028294820 DC		63.00	
02-08	02-07		CUBICLE KEYS.COM 05026344228 KY		63.00	
02-18	02-15		OFFICE DEPOT #5910 800-463-3768 PA		76.66	
02-18	02-15		OFFICE DEPOT #5910 800-463-3768 PA		188.43	
02-18	02-15		OFFICE DEPOT #5910 800-463-3768 PA		106.82	
02-18	02-15		OFFICE DEPOT #5910 800-463-3768 PA		272.34	
02-18	02-15		OFFICE DEPOT #5910 800-463-3768 PA		794.09	
02-18	02-15		OFFICE DEPOT #5910 800-463-3768 PA		37.86	
02-18	02-15		OFFICE DEPOT #5910 800-463-3768 PA		525.84	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 02-19-2013

NEW ACTIVITY					
LOIL BERMAN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$22.99	\$0.00	\$22.99
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-07	02-06	55435873037160375516850	HOOKERS REPAIR SERVICE 562-5312203 CA		22.99
LESTER HARDING		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$22.00	\$0.00	\$22.00
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-13	02-12	55436673044120441302157	EQUIFAX INFO SERVICES 800-6855000 GA		22.00
DENISE HAMM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$60.00	\$0.00	\$60.00
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-13	02-11	55490403043261710930011	AVIO GALLERIES INC. LURAY VA		60.00
HENRY HANSEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$1,661.46	\$0.00	\$1,661.46
Post Date	Tran Date	Reference Number	Transaction Description		Amount
01-29	01-28	55460293029273028010013	PJ MECHANICAL SERVICES 0212886653 NY		1,540.00
01-30	01-28	85247813029900010300018	SUPREME SYSTEMS INC NEW YORK NY		12.00
02-01	01-31	85456673031308016980140	WEINSTEIN & HOLTZMAN NEW YORK NY		19.46
02-13	02-07	55447323043357430010052	SHRED-IT-NEW YORK 08006979733 NY		90.00
NYPRE THOMAS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$2,319.52	\$0.00	\$2,319.52
Post Date	Tran Date	Reference Number	Transaction Description		Amount
01-24	01-23	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		355.99
01-25	01-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		607.94
01-25	01-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		159.64
01-25	01-24	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		441.95
01-29	01-28	[REDACTED]	PJ MECHANICAL SERVICES 0212886653 NY		198.00
02-01	01-31	[REDACTED]	OFFICE DEPOT #5910 800-463-3768 PA		105.99
02-13	02-07	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY		180.00
02-18	02-15	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY		90.00
02-18	02-15	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY		90.00
02-18	02-15	[REDACTED]	SHRED-IT-NEW YORK 08006979733 NY		50.00



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 02-19-2013

NEW ACTIVITY

SARAH JAMROSEK		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$562.34	\$1,776.61	\$0.00	\$1,214.27	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
01-21	01-18	55547503018122947010178	GARVEY'S OFFICE PRODUC 08475881690 IL			218.36
01-29	01-28	55547503028122954010242	GARVEY'S OFFICE PRODUC 08475881690 IL			958.02
01-29	01-28	55547503028122954010416	GARVEY'S OFFICE PRODUC 08475881690 IL			562.34
01-31	01-30	55547503030122956010055	GARVEY'S OFFICE PRODUC 08475881690 IL			37.89
02-01	01-31	55547503031122957010921	GARVEY'S OFFICE PRODUC 08475881690 IL			562.34 CR

THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$35.24	\$2,073.00	\$2,108.24	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
02-04	02-01	00000000004600002001000	*FINANCE CHARGE* CASH ADVANCE FEE			35.24
02-04	02-01	00000000004600002001000	CASH ADVANCE FROM - G45 TECHNOLOGY 001064 -ST. PAUL -MN			2,073.00
Department: 05004 Total:						\$11,746.60

CATHY WICYKOWSKI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$1,946.19	\$0.00	\$1,946.19	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
02-04	02-01	05436843033100134037030	OFFICE DEPOT #1090 800-463-3768 MA			1,946.19
Department: 05006 Total:						\$1,946.19
Division: 00003 Total:						\$13,692.79

SONDA B OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY	
		\$0.00	\$8,622.00	\$0.00	\$8,622.00	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
01-23	01-22	000000000000000000000000	ATTN: SONDA B OWENS HBC: 08185517310 CA			1,549.95
01-23	01-22	000000000000000000000000	ATTN: SONDA B OWENS HBC: 08185517310 CA			913.95
01-23	01-22	000000000000000000000000	ATTN: SONDA B OWENS HBC: 08185517310 CA			2,153.45
01-23	01-22	000000000000000000000000	ATTN: SONDA B OWENS HBC: 08185517310 CA			1,671.50
02-14	02-13	000000000000000000000000	ATTN: SONDA B OWENS HBC: 08185517310 CA			1,593.20
02-14	02-13	000000000000000000000000	ATTN: SONDA B OWENS HBC: 08185517310 CA			675.20
02-14	02-13	000000000000000000000000	ATTN: SONDA B OWENS HBC: 08185517310 CA IN 03018813344 MD			64.75
Department: 05007 Total:						\$8,622.00
Division: 00004 Total:						\$8,622.00



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 02-19-2013

NEW ACTIVITY					
[REDACTED]		CREDITS \$695.00	PURCHASES \$40,986.00	CASH ADV \$0.00	TOTAL ACTIVITY \$40,291.00
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-21	01-18	[REDACTED]	US OPM 26798 304-870-8073 WV	3,750.00	
01-24	01-23	[REDACTED]	ACT*POTOMAC FORUM LTD. 877-551-5560 CA	695.00	
01-25	01-23	[REDACTED]	LEARNING TREE INTERNAT RESTON VA	2,249.00	
02-01	01-30	[REDACTED]	MANAGEMENT CONCEPTS TYSONS CORNER VA	778.00	
02-08	02-07	[REDACTED]	ACT*POTOMAC FORUM LTD. 877-551-5560 CA	695.00	CR
02-11	02-08	[REDACTED]	MANAGEMENT CONCEPTS TYSONS CORNER VA	24,995.00	
02-11	02-08	[REDACTED]	LEARNING TREE INTERNAT RESTON VA	2,499.00	
02-11	02-09	[REDACTED]	NITA 303-953-6800 CO	595.00	
02-12	02-11	[REDACTED]	ACFE 05124789000 TX	700.00	
02-13	02-11	[REDACTED]	IAPP YORK ME	1,045.00	
02-13	02-11	[REDACTED]	IAPP YORK ME	1,045.00	
02-13	02-12	[REDACTED]	SAS INSTITUTE INC 919-5315401 NC	1,950.00	
02-16	02-14	[REDACTED]	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
02-18	02-14	[REDACTED]	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00	
[REDACTED]		CREDITS \$0.00	PURCHASES \$17,882.55	CASH ADV \$0.00	TOTAL ACTIVITY \$17,882.55
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-22	01-21	[REDACTED]	DTV'DIRECTV SERVICE 800-347-3288 GA	234.99	
01-25	01-25	[REDACTED]	ATT*CONS PHONE PMT 800-704-8324 TX	46.28	
01-28	01-26	[REDACTED]	FRANKLINCOVEYPRODUCTS 800-819-1812 UT	44.68	
01-28	01-26	[REDACTED]	TWC*TIME WARNER CABLE 816-358-8833 NY	253.35	
01-30	01-29	[REDACTED]	GRASSHOPPER GROUP LLC NEEDHAM MA	59.00	
01-31	01-30	[REDACTED]	SYNERGY TELECOM INC INDIANAPOLIS IN	1,590.00	
01-31	01-29	[REDACTED]	ARIN 0703279852 VA	100.00	
02-04	02-01	[REDACTED]	AUTOPAY/DISH NTWK 800-894-9131 CO	146.99	
02-05	02-05	[REDACTED]	COMCAST OF WASHINGTON 800-COMCAST DC	106.95	
02-06	02-06	[REDACTED]	CDW GOVERNMENT 800-750-4239 IL	2,622.10	
02-06	02-05	[REDACTED]	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	354.27	
02-06	02-05	[REDACTED]	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	174.73	
02-06	02-05	[REDACTED]	THREATGUARD 2104904018 TX	2,475.00	
02-06	02-05	[REDACTED]	BARNDOR LIGHTING 2032060845 CT	316.01	
02-06	02-05	[REDACTED]	AMAZON MKTPLCE PMTS AMZN.COM/BILL WA	149.97	
02-06	02-05	[REDACTED]	AMAZON MKTPLCE PMTS AMZN.COM/BILL WA	238.00	
02-06	02-06	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	23.04	
02-07	02-06	[REDACTED]	TELVENT* 402-390-2328 NE	978.00	
02-08	02-07	[REDACTED]	AMAZON MKTPLCE PMTS AMZN.COM/BILL WA	14.44	
02-08	02-07	[REDACTED]	ATTM *287240832047 08003310500 CA	1,946.52	
02-08	02-07	[REDACTED]	CAPRICE ELECTRONICS 07182220436 NY	181.08	
02-08	02-07	[REDACTED]	CAPRICE ELECTRONICS 07182220436 NY	120.72	
02-11	02-07	[REDACTED]	PLI*POWERMAPPER PLIMUS,INC	87.25	
02-11	02-08	[REDACTED]	ADORAMA INC 212-7410466 NY	86.52	
02-11	02-09	[REDACTED]	TAB PRODUCTS/ETTER SYS 920-387-1845 W;	165.00	
02-11	02-10	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	104.16	
02-11	02-08	[REDACTED]	TECHSMITH CORPORATION 08005173001 MI	986.20	
02-11	02-08	[REDACTED]	GLOBALSCAPE 02103088267 TX	612.00	
02-13	02-11	[REDACTED]	AUTOPAY/DISH NTWK 800-894-9131 CO	124.00	
02-14	02-13	[REDACTED]	AMAZON.COM AMZN.COM/BILL WA	17.36	
02-14	02-14	[REDACTED]	VZWRLSS*APOCC VISE 800-922-0204 NJ	400.10	
02-15	02-14	[REDACTED]	REI*MATTHEW BENDER &CO 800-833-9844 NY	1,249.50	
02-15	02-15	[REDACTED]	RHINO TECHNOLOGY GROUP 952-548-5700 MN	362.70	
02-18	02-15	[REDACTED]	DR*WWW.ELEMENTS.INF MINNETONKA MN	1,344.00	
02-18	02-15	[REDACTED]	FRANKLINCOVEYPRODUCTS 800-819-1812 UT	105.44	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 02-19-2013

NEW ACTIVITY					
Department: 05009 Total:				\$58,173.55	
BEVERLY BROWN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$80.00	\$4,535.98	\$0.00	\$4,455.98
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-22	01-21	25247803021000635339742	SYNERGY TELECOM INC INDIANAPOLIS IN	1,418.00	
01-25	01-24	05436843025500031781889	OFFICE DEPOT #5910 800-463-3768 PA	1,360.00	
01-25	01-24	55429503024849546018031	7BATTFRY 8006248601 MI	216.89	
01-25	01-24		VW GRAINGER 877-2022594 MI	82.65	
02-04	02-01		OFFICE DEPOT #5910 800-463-3768 PA	80.00 CR	
02-11	02-05		123RF.COM INTERNET HKG	343.00	
02-12	02-11		SYNERGY TELECOM INC INDIANAPOLIS IN	50.00	
02-14	02-12		FOOTAGE FIRM RESTON VA	948.00	
02-14	02-12		AVI SYSTEMS INC 06304772300 IL	117.44	
Department: 05010 Total:				\$4,455.98	
Division: 00005 Total:				\$62,629.53	
DANIEL MAY		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$11,228.07	\$0.00	\$11,228.07
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-25	01-24		AMAZON.COM AMZN.COM/BILL WA	90.28	
02-01	01-31		THOMSON WEST* TCD 800-328-4880 MN	779.18	
02-06	02-05		AGRESOURCEC 3124080045 IL	65.00	
02-06	02-05		ADI*ASPEN PUBLISHERS 800-234-1660 MD	534.00	
02-06	02-05		ADI*ASPEN PUBLISHERS 800-234-1660 MD	175.00	
02-07	02-07		AMAZON.COM AMZN.COM/BILL WA	74.61	
02-13	02-12		PAYPAL *JSTOR 4029357733 NY	1,850.00	
02-13	02-12		IPN/PAYMENTNETWORK WOODLAND HILL CA	3,870.00	
02-14	02-12		THE INSTITUTE FOR FINA WASHINGTON DC DC	3,800.00	
Department: 05013 Total:				\$11,228.07	
Division: 00007 Total:				\$11,228.07	
JANIS KELLY V/L HO		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$476.07	\$0.00	\$476.07
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
01-23	01-22		STOKALAN*HILL ATTERBANK WASHINGTON DC	166.45	
01-24	01-23		BOOKING*HILL ATTERBANK WASHINGTON DC	63.36	
02-01	01-31		BAR WASH*CAR WASH*PA AL*CAR*WASH*PA	15.99	
02-01	01-31		BAR WASH*CAR WASH*PA AL*CAR*WASH*PA	15.99	
02-06	02-04		CH*WASH*CAR WASH*PA AL*CAR*WASH*PA	102.65	
02-06	02-05		BAR WASH*CAR WASH*PA AL*CAR*WASH*PA	15.99	
02-14	02-13		CH*WASH*CAR WASH*PA AL*CAR*WASH*PA	66.74	
02-15	02-13		SUP*WASH*CAR WASH*PA AL*CAR*WASH*PA	89.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 02-19-2013

Department: 05017 Total:	\$476.07
Division: 00010 Total:	\$476.07



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000017 2 SP 106481062058445 S  
CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER [REDACTED]  
STATEMENT DATE 03-19-2013  
AMOUNT DUE \$660.95  
NEW BALANCE \$660.95  
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT

AMOUNT ENCLOSED  
\$

Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

BILLING ACCOUNT SUMMARY									
CFTC	Previous Balance	Purchases And Other Charges	Self Assessed Interest Penalty	Checks	Check + Fee	Debits	Current Activity	Payments	Account Balance
[REDACTED]									
Company Total	\$0.00	\$142,011.84	\$0.00	\$5,748.70	\$97.76	\$5,203.85	\$142,654.45	\$141,993.50	\$660.95

Default Accounting Code:			
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER		ACCOUNT SUMMARY
	<div></div>		PREVIOUS BALANCE .00
			PURCHASES & OTHER CHARGES 142,011.84
			SELF ASSESSED INTEREST PENALTY .00
	STATEMENT DATE	DISPUTED AMOUNT	CHECKS 5,748.70
03/19/13	.00	CHECK FEE 97.76	
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335	AMOUNT DUE  660.95		CREDITS 5,203.85
			CURRENT BILLING ACTIVITY 142,654.45
			PAYMENTS 141,993.50
			ACCOUNT BALANCE 660.95



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2013

CORPORATE ACCOUNT ACTIVITY					
CFTC [REDACTED]		TOTAL CORPORATE ACTIVITY \$141,991.50CR			
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-21	02-21	75569633052052111111127	WIRE PAYMENT	6,495.15 PY	
02-22	02-22	75569633053053111111124	WIRE PAYMENT	1,326.64 PY	
02-25	02-25	75569633056056111111140	WIRE PAYMENT	3,903.00 PY	
02-26	02-26	75569633057057111111121	WIRE PAYMENT	4,945.14 PY	
02-27	02-27	75569633058058111111128	WIRE PAYMENT	1,545.64 PY	
02-28	02-28	75569633059059111111125	WIRE PAYMENT	12,304.89 PY	
03-01	03-01	75569633060060111111120	WIRE PAYMENT	5,084.59 PY	
03-04	03-04	75569633063063111111121	WIRE PAYMENT	1,737.08 PY	
03-05	03-05	75569633064064111111128	WIRE PAYMENT	11,419.98 PY	
03-06	03-06	75569633065065111111124	WIRE PAYMENT	2,946.63 PY	
03-07	03-07	75569633066066111111147	WIRE PAYMENT	15,367.34 PY	
03-08	03-08	75569633067067111111128	WIRE PAYMENT	2,637.98 PY	
03-11	03-11	75569633070070111111127	WIRE PAYMENT	2,386.43 PY	
03-12	03-12	75569633071071111111124	WIRE PAYMENT	8,549.66 PY	
03-13	03-13	75569633072072111111147	WIRE PAYMENT	5,967.00 PY	
03-14	03-14	75569633073073111111128	WIRE PAYMENT	445.39 PY	
03-15	03-15	75569633074074111111125	WIRE PAYMENT	26,262.56 PY	
03-18	03-18	75569633077077111111190	WIRE PAYMENT	3,829.75 PY	
03-19	03-19	75569633078078111111148	WIRE PAYMENT	25,236.65 PY	

NEW ACTIVITY					
KATHRYN M RISON [REDACTED]		CREDITS \$38.28	PURCHASES \$6,679.35	CASH ADV \$0.00	TOTAL ACTIVITY \$6,641.07
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-21	02-20	85185643051980018993457	SIGN TALK LLC BROOKLYN NY	200.00	
03-08	03-05	55309553065207000363175	CAPITAL REPORTING COMP WASHINGTON DC	2,809.88	
03-08	03-07	55309553067207000383320	CAPITAL REPORTING COMP WASHINGTON DC	38.28CR	
03-18	03-14	55505773074597369626256	GROUP ELITE COMMUNICAT LAVAL QC	3,669.47	
Department: 00000 Total:				\$6,641.07	
Division: 00000 Total:				\$6,641.07	

MONICA GREEN [REDACTED]		CREDITS \$0.00	PURCHASES \$8,021.57	CASH ADV \$1,892.47	TOTAL ACTIVITY \$9,914.04
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-04	03-01	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	631.90	
03-04	03-01	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	865.50	
03-04	02-28	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	950.50	
03-04	02-28	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	488.50	
03-04	02-28	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	1,507.75	
03-04	02-28	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	1,040.50	
03-04	02-28	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	1,168.50	
03-04	02-28	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	766.75	
03-04	02-28	85185643051980018993457	ALLIANCE REPORTING CORP WASHINGTON DC	551.50	
03-15	03-14	85185643051980018993457	FINANCE CHARGE CASH ADVANCE FEE	32.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2013

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-15	03-14	00000000004600009013000	CASH ADVANCE FROM - SUSAN SOBLE ASSOCI001158 -ST. PAUL -MN	1,882.47	
03-19	03-18	00000000004600006011000	*FINANCE CHARGE* CASH ADVANCE FEE	0.17	
03-19	03-18	00000000004600006011000	CASH ADVANCE FROM - SECRETARY BOARD OF001156 -ST. PAUL -MN	10.00	
MELISSA CSIGI		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$8,012.59	\$2,107.23	\$10,179.82
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-21	02-20	00000000004600007012000	*FINANCE CHARGE* CASH ADVANCE FEE	2.11	
02-21	02-20	00000000004600007012000	CASH ADVANCE FROM -	124.02	
02-28	02-27	00000000004600002024000	METROLINK COURIER 001455 -ST. PAUL -MN	9.24	
02-28	02-27	00000000004600002024000	*FINANCE CHARGE* CASH ADVANCE FEE	543.50	
03-01	02-28	00000000004600008024000	CASH ADVANCE FROM - BARRY A FOND SHOR001459 -ST. PAUL -MN	7.61	
03-01	02-28	00000000004600008024000	*FINANCE CHARGE* CASH ADVANCE FEE	447.75	
03-04	03-01	554368730617130617158098	CASH ADVANCE FROM - BANK OF NEW 001458 -ST. PAUL -MN	165.00	
03-04	03-01	85189873060980000476824	STERLING MADISON CO 408-2953300 CA	120.00	
03-04	03-01	85247713060980048406039	PRONTO PROCESS - HOUST HOUSTON TX	4,184.99	
03-04	03-01	00000000004600008020000	RESPONSIVE DATA SOLUTI WASHINGTON DC	16.61	
03-04	03-01	00000000004600006020000	*FINANCE CHARGE* CASH ADVANCE FEE	976.96	
03-06	03-05	00000000004600006017000	CASH ADVANCE FROM - ADAMS HOLT INC. 001460 -ST. PAUL -MN	1.28	
03-06	03-05	00000000004600006017000	*FINANCE CHARGE* CASH ADVANCE FEE	75.00	
03-18	03-15	55547503074253157010011	CASH ADVANCE FROM - NYS DEPARTMENT OF 001457 -ST. PAUL -MN	742.00	
03-18	03-15	55547503074253157010029	REAL-TIME REPORTERS 03125789323 IL	887.00	
03-18	03-15	55547503074253157010037	REAL-TIME REPORTERS 03125789323 IL	1,648.75	
03-18	03-15	55547503074253157010045	REAL-TIME REPORTERS 03125789323 IL	228.00	
LEA ANN BIGELOW		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$171.96	\$0.00	\$171.96
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-27	02-26	55546553057471583261118	INUMBR SACRAMENTO CA	99.99	
02-27	02-26	75418233057000436350950	SURVEYMONKEY.COM 971-2445555 CA	71.97	
Department: 05001 Total:				\$20,265.82	
ROSEMARY HOLLINGER		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$33.98	\$234.00	\$267.98
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-25	02-21	25263593053053374600607	MCLE BOARD 312-9242421 IL	30.00	
03-07	03-06	00000000004600008019000	*FINANCE CHARGE* CASH ADVANCE FEE	3.98	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2013

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-07	03-06	00000000004600008019000	CASH ADVANCE FROM - SHIRES REPORTING S001080 -ST. PAUL -MN	234.00
SCOTT WILLIAMSON		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$0.00	\$0.27	\$15.00
TOTAL ACTIVITY				\$15.27
Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-27	02-26	00000000004600001012000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09
02-27	02-26	00000000004600001012000	CASH ADVANCE FROM - COLORADO SEC OF ST001047 -ST. PAUL -MN	5.00
02-27	02-26	00000000004600001013000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09
02-27	02-26	00000000004600001013000	CASH ADVANCE FROM - COLORADO SEC OF ST001046 -ST. PAUL -MN	5.00
02-27	02-26	00000000004600001014000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09
02-27	02-26	00000000004600001014000	CASH ADVANCE FROM - COLORADO SEC OF ST001048 -ST. PAUL -MN	5.00
Department: 05002 Total:				\$283.25
Division: 00001 Total:				\$20,549.07
JANIS KELLY		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$0.00	\$8,408.28	\$0.00
TOTAL ACTIVITY				\$8,408.28
Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-21	02-20	00000000004600001012000	ALLEN DISPLAY MIDLOTHIAN VA	300.35
02-21	02-20	00000000004600001012000	STANDARD OFFICE SUPPLY 02028294820 DC	129.98
02-22	02-21	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	362.52
02-22	02-21	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	212.75
02-25	02-22	00000000004600001012000	A & A ART FRAME WASHINGTON DC	300.00
02-27	02-26	00000000004600001012000	STANDARD OFFICE SUPPLY 02028294820 DC	63.00
02-28	02-27	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	52.08
03-01	02-28	00000000004600001012000	STAPI 53237803873000 800-3333330 CA	375.92
03-06	03-05	00000000004600001012000	HAWORTH INC 06143933294 MI	470.19
03-07	03-06	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	1,324.32
03-07	03-06	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	33.96
03-07	03-06	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	320.28
03-11	03-08	00000000004600001012000	STANDARD OFFICE SUPPLY 02028294820 DC	346.75
03-12	03-11	00000000004600001012000	SMITHS DETECTION INC 973-8302100 NJ	1,825.00
03-13	03-12	00000000004600001012000	AMERICAN DETAIL CLEANI ROCKVILLE MD	397.50
03-15	03-14	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	92.76
03-15	03-14	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	43.47
03-15	03-14	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	54.63
03-15	03-14	00000000004600001012000	STANDARD OFFICE SUPPLY 02028294820 DC	288.00
03-15	03-14	00000000004600001012000	STANDARD OFFICE SUPPLY 02028294820 DC	231.73
03-18	03-16	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	29.97
03-18	03-16	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	524.54
03-19	03-18	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	138.60
03-19	03-18	00000000004600001012000	OFFICE DEPOT #5910 800-463-3768 PA	489.98





Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2013

NEW ACTIVITY

SARAH JAMBROSEK		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$662.34	\$0.00	\$662.34
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-27	02-26	55547503057122975010019	GARVEY'S OFFICE PRODUC 08475881690 IL		662.34
THOMAS WILLIAMS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$8.59	\$505.00	\$513.59
Post Date	Tran Date	Reference Number	Transaction Description		Amount
03-05	03-04	00000000004600005001000	*FINANCE CHARGE* CASH ADVANCE FEE		4.68
03-05	03-04	00000000004600005001000	CASH ADVANCE FROM -		275.00
03-07	03-06	00000000004600009014000	WALLACE CATFISH C0001065 -ST. PAUL -MN		1.91
03-07	03-06	00000000004600009014000	*FINANCE CHARGE* CASH ADVANCE FEE		230.00
			CASH ADVANCE FROM -		
			WILLIE JONES 001066 -ST. PAUL -MN		
Department: 05004 Total:					\$18,397.50
MARGIE YATES		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$545.00	\$0.00	\$545.00
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-26	02-25	55457023056286645000037	HENRYS SOUL CAFE INC OXON HILL MD		545.00
Department: 05006 Total:					\$545.00
Division: 00003 Total:					\$18,942.50
SONDA D OWENS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$13,953.82	\$0.00	\$13,953.82
Post Date	Tran Date	Reference Number	Transaction Description		Amount
02-22	02-21	55436080 03103420888 CA	COURTCALL		35.00
02-26	02-25	55440867 03103420888 CA	COURTCALL		65.00
02-27	02-26	5546160826 646-6160826 NY	ENERGY INTELLIGENCE GR		8,700.00
03-11	03-08	554105MEDIASUBSCRPTN 800-989-3363 CA	101*1105MEDIASUBSCRPTN		990.00
03-14	03-12	554703-5197180 VA	ANDERSON COURT REPORTI		1,242.50
03-15	03-14	5548003508850 CA	EB *SABEW 2013 SPRING		399.00
03-15	03-13	554703-276-3255 VA	THE HASTINGS GROUP LLC		390.00
03-18	03-15	554001066 -ST. PAUL -MN	MCGUIRES II, LLC CHICAGO IL		201.00
03-18	03-14	554703-5197180 VA	ANDERSON COURT REPORTI		1,931.32
Department: 05007 Total:					\$13,953.82
Division: 00004 Total:					\$13,953.82



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2013

NEW ACTIVITY				
ANDRIETTA MINTER		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$3,740.00	\$12,435.40	\$0.00
				TOTAL ACTIVITY
				\$8,695.40
Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-20	02-19	00000000999999999999	GKN 0000009999999999 800-268-7737 NC	3,195.00
02-20	02-19	00000000999999999999	DICE CAREER SOLUTIONS 888-321-DICE IA	990.00
02-22	02-21	00000000999999999999	A MEETING CO USDA HADDONFIELD NJ	425.00
02-25	02-21	00000000999999999999	ENTERPRISE CONNECT 630-9861432 IL	2,095.00
02-25	02-22	00000000999999999999	GRADUATE SCHOOL REG 08887444723 DC	895.00
02-25	02-22	00000000999999999999	AMERICAN ECONOMIC ASSO 06153222595 TN	600.00
02-25	02-22	00000000999999999999	DAN KAIN TROPHIES INC FAIRFAX VA	585.90
02-27	02-26	00000000999999999999	AICPA *AICPA 888-777-7077 NC	267.00
02-28	02-27	00000000999999999999	AICPA *AICPA 888-777-7077 NC	333.75
02-28	02-27	00000000999999999999	AICPA *AICPA 888-777-7077 NC	333.75
03-04	03-01	00000000999999999999	FIN MARKET WORLD 8888701975 NJ	895.00 CR
03-04	03-01	00000000999999999999	FIN MARKET WORLD 8888701975 NJ	895.00 CR
03-05	03-02	00000000999999999999	SOCIAL SCIENCE ELECTRO 585-4428170 NY	800.00
03-05	03-04	00000000999999999999	GRADUATE SCHOOL REG 08887444723 DC	895.00
03-07	03-06	00000000999999999999	SAS INSTITUTE INC 919-5315401 NC	1,950.00 CR
03-11	03-08	00000000999999999999	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00
03-11	03-08	00000000999999999999	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00
03-11	03-08	00000000999999999999	OPM-PHIL SVC CTR PHILADELPHIA PA	340.00
CYNTHIA WATSON		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$81.61	\$69,905.30	\$0.00
				TOTAL ACTIVITY
				\$69,823.69
Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-20	02-19	00000000999999999999	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	17.90
02-20	02-18	00000000999999999999	SYNNEX 888-6887558 CA	1,992.25
02-21	02-20	00000000999999999999	TWC*TIME WARNER NYC 718-358-0900 NY	570.18
02-22	02-21	00000000999999999999	TWC*TIME WARNER CABLE 816-358-8833 NY	253.35
02-22	02-21	00000000999999999999	DTV*DIRECTV SERVICE 800-347-3288 CA	239.99
02-25	02-27	00000000999999999999	TWC*TIME WARNER NYC 718-358-0900 NY	411.07
02-25	02-27	00000000999999999999	TWC*TIME WARNER NYC 718-358-0900 NY	570.18
02-25	02-27	00000000999999999999	TWC*TIME WARNER NYC 718-358-0900 NY	296.15
03-01	02-28	00000000999999999999	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	81.61 CR
03-04	03-01	00000000999999999999	GRASSHOPPER GROUP, LLC NEEDHAM MA	59.00
03-05	03-05	00000000999999999999	COMCAST OF WASHINGTON 800-COMCAST DC	146.95
03-06	03-05	00000000999999999999	EMERGENT LLC VIRGINIA BCH VA	11,465.16
03-06	03-04	00000000999999999999	AUTOPAY/DISH NTWK 800-894-9131 CO	152.00
03-07	03-06	00000000999999999999	QUALITY LASER SERVI BUFFALO NY	478.00
03-07	03-06	00000000999999999999	CARTRIDGE SAVERS INC 608-2277283 WI	510.52
03-07	03-06	00000000999999999999	CARTRIDGE DISCOUNTERS CHULA VISTA CA	1,050.11
03-08	03-06	00000000999999999999	LAZER CARTRIDGES PLUS WALLA WALLA WA	2,207.70
03-11	03-08	00000000999999999999	ENTERPRISE 8253535009 CA	421.90
03-11	03-08	00000000999999999999	ENTERPRISE 8253535009 CA	421.90
03-11	03-08	00000000999999999999	ENTERPRISE 8253535009 CA	421.90
03-11	03-08	00000000999999999999	ENTERPRISE 8253535009 CA	4,219.00
03-11	03-08	00000000999999999999	THE OFFICE PAL LAKEWOOD NJ	336.10
03-11	03-08	00000000999999999999	PREMIER BUSINESS PRODU 805-3498900 CA	398.10
03-12	03-12	00000000999999999999	VZWRLSS*MY VZ VB P 800-922-0204 GA	774.40
03-12	03-11	00000000999999999999	AT&T *287240832047 08003310500 GA	2,167.90
03-14	03-14	00000000999999999999	SERVER SUPPLY COM INC 800-413-6999 NY	168.30
03-14	03-13	00000000999999999999	TRIANTIS CORPORATION 513-9290188 OH	24,000.00
03-15	03-13	00000000999999999999	DISCOUNT ELECTRONICS M AUSTIN TX	1,335.69
03-18	03-15	00000000999999999999	FRANKLINCOVEYPRODUCTS 800-619-1812 UT	167.60
03-18	03-15	00000000999999999999	RC *RICOH CORP 973-882-2000 NJ	400.00
03-18	03-14	00000000999999999999	AUTOPAY/DISH NTWK 800-894-9131 CO	124.00
03-18	03-14	00000000999999999999	MILLENIUM COMPUTER PRO SAN MARCOS CA	14,338.00



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2013

NEW ACTIVITY						
Department: 05009 Total:					\$78,519.09	
<b>BEVERLY BROWN</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>	
[REDACTED]		\$0.00	\$1,989.49	\$0.00	\$1,989.49	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
03-07	03-05	55480773066200136800192	VIDEO COPILOT 09514710373 CA			398.90
03-12	03-09	85179313070220027070823	GETDATA PTY LTD KOGARAH NSW			1,199.70
03-13	03-12	55432863071000921954772	WWW.NEWECC.COM 800-390-1119 CA			19.90
03-13	03-12	55432863071000921954803	WWW.NEWECC.COM 800-390-1119 CA			28.09
03-14	03-08	55446623073030212018760	123RF.COM INTERNET HKG			345.00
Department: 05010 Total:					\$1,989.49	
Division: 00005 Total:					\$80,508.58	
<b>DANIEL MAY</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>	
[REDACTED]		\$0.00	\$1,128.59	\$15.00	\$1,143.59	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
03-05	03-02	25250053063053251094903	SOCIAL SCIENCE ELECTRO 585-4428170 NY			827.00
03-06	03-05	052306530652850072408237	INCISIVEMEDIA.COM 0207 4849700			236.33
03-08	03-07	00000000004600003026000	(FOREIGN CURRENCY) 155.00 GBP 03/06 (RATE) 0.5559			0.26
03-08	03-07	00000000004600003026000	FINANCE CHARGE* CASH ADVANCE FEE			15.00
03-11	03-08	55429503067849219940368	CASH ADVANCE FROM - GEORGE WASHINGTON 001063 -ST. PAUL -MN			65.00
Department: 05013 Total:					\$1,143.59	
Division: 00007 Total:					\$1,143.59	
<b>MICHAEL HERNDON</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>	
[REDACTED]		\$0.00	\$607.30	\$0.00	\$607.30	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
02-20	02-19	55446413051206898900891	SHEPARD EXPOSITION SER 04047208600 GA			310.00
03-08	03-07	55446413067091860000090	SHEPARD LOGISTICS 04047208643 GA			297.30
Department: 05015 Total:					\$607.30	
Division: 00008 Total:					\$607.30	
<b>JANIS KELLY V1 HO</b>		<b>CREDITS</b>	<b>PURCHASES</b>	<b>CASH ADV</b>	<b>TOTAL ACTIVITY</b>	
[REDACTED]		\$0.00	\$308.52	\$0.00	\$308.52	
Post Date	Tran Date	Reference Number	Transaction Description			Amount
03-01	02-27	55432863059000585164737	SUNOCO 0299792200 WASHINGTON DC			115.03



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 03-19-2013

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-01	02-28	55500363060837000052400	MR WASH CAR WASH #6 ALEXANDRIA VA	15.99
03-04	03-01	55500363061837000054256	MR WASH CAR WASH #6 ALEXANDRIA VA	15.99
03-06	03-05	05486803065378002907484	EXXONMOBIL 47827448 WASHINGTON DC	52.50
03-11	03-08	55432863068000926442742	SUNOCO 0299792200 WASHINGTON DC	109.01

Department: 05017 Total: \$308.52  
Division: 00010 Total: \$308.52



INSERT 12

U.S. BANKCORP  
P.O. BOX 6347  
FARGO ND 58125-6347



000000017 2 SP 106481099593506 S  
CFTC  
ATTN SONDA OWENS  
1155 21ST STREET NW  
WASHINGTON DC 20581-0001

ACCOUNT NUMBER	
STATEMENT DATE	04-19-2013
AMOUNT DUE	\$67.51
NEW BALANCE	\$67.51
PAYMENT DUE IN ACCORDANCE WITH PROMPT PAYMENT ACT	

AMOUNT ENCLOSED

\$

Please make check payable to "U.S. Bank"

U.S. BANKCORP  
PO BOX 6313  
FARGO ND 58125-6313

Please tear payment coupon at perforation.

## ACCOUNT MESSAGES

Foreign transactions include a 1% foreign currency conversion fee incorporated in the exchange rate.

[illegible]

Default Accounting Code:		
CUSTOMER SERVICE CALL  888-994-6722	ACCOUNT NUMBER  [REDACTED]	
	STATEMENT DATE 04/19/13	DISPUTED AMOUNT .00
	ACCOUNT SUMMARY PREVIOUS BALANCE 660.95 PURCHASES & OTHER CHARGES 106,569.92 SELF ASSESSED INTEREST PENALTY .00 CHECKS 9,080.94 CHECK FEE 154.39 CREDITS 1,062.48 CURRENT BILLING ACTIVITY 114,742.77 PAYMENTS 115,336.21 ACCOUNT BALANCE 67.51	
SEND BILLING INQUIRIES TO:  U.S. Bank Government Services P.O. Box 6335 Fargo, ND 58125-6335		AMOUNT DUE  67.51



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2013

CORPORATE ACCOUNT ACTIVITY					
CFTC		TOTAL CORPORATE ACTIVITY			
[REDACTED]		\$115,336.21 CR			
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-20	03-20	75569633079079111111145	WIRE PAYMENT	660.95 PY	
03-21	03-21	75569633080080111111124	WIRE PAYMENT	447.67 PY	
03-22	03-22	75569633081081111111121	WIRE PAYMENT	6,196.33 PY	
03-25	03-25	75569633084084111111122	WIRE PAYMENT	6,963.04 PY	
03-26	03-26	75569633085085111111128	WIRE PAYMENT	17,400.98 PY	
03-27	03-27	75569633086086111111133	WIRE PAYMENT	5,857.15 PY	
03-28	03-28	75569633087087111111122	WIRE PAYMENT	242.26 PY	
03-29	03-29	75569633088088111111129	WIRE PAYMENT	26,530.77 PY	
04-01	04-01	75569633091091111111136	WIRE PAYMENT	2,536.93 PY	
04-02	04-02	75569633092092111111125	WIRE PAYMENT	8,906.88 PY	
04-03	04-03	75569633093093111111189	WIRE PAYMENT	878.00 PY	
04-04	04-04	75569633094094111111129	WIRE PAYMENT	327.00 PY	
04-05	04-05	75569633095095111111125	WIRE PAYMENT	2,609.02 PY	
04-08	04-08	75569633098098111111126	WIRE PAYMENT	4,155.07 PY	
04-09	04-09	75569633099099111111131	WIRE PAYMENT	1,410.95 PY	
04-10	04-10	75569633100100111111126	WIRE PAYMENT	3,398.50 PY	
04-11	04-11	75569633101101111111156	WIRE PAYMENT	6,368.63 PY	
04-12	04-12	75569633102102111111120	WIRE PAYMENT	3,580.36 PY	
04-15	04-15	75569633105105111111120	WIRE PAYMENT	2,578.05 PY	
04-16	04-16	75569633106106111111127	WIRE PAYMENT	6,525.07 PY	
04-17	04-17	75569633107107111111140	WIRE PAYMENT	3,317.31 PY	
04-18	04-18	75569633108108111111121	WIRE PAYMENT	2,416.86 PY	
04-19	04-19	75569633109109111111144	WIRE PAYMENT	1,486.43 PY	

NEW ACTIVITY					
KATHRYN M RISON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$2,364.25	\$0.00	\$2,364.25
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-20	25428553079080014228107	B & H PHOTO-VIDEO-MO/T 800-9479950 NY	876.60	
03-25	03-22	8524771713081980048406018	RESPONSIVE DATA SOLUTI WASHINGTON DC	794.05	
03-28	03-26	85504993086900017323238	ANDERSON COURT REPORT 703-5197180 VA	693.60	
Department: 00000 Total:				\$2,364.25	
Division: 00000 Total:				\$2,364.25	
MONICA GREEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$1,097.53	\$707.50	\$1,805.03
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-22	03-21	00000000004600002026000	*FINANCE CHARGE* CASH ADVANCE FEE	12.03	
03-22	03-21	00000000004600002026000	CASH ADVANCE FROM -	707.50	
04-11	04-10	55310203101200318600015	DENISE A DRILL 001157 -ST. PAUL -MN TAYLOR JONOVIC WHITE & 03053589047 FL	1,085.50	





Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2013

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-09	04-08	0000000004600003021000	CASH ADVANCE FROM -	5.00	
04-09	04-08	00000000004600003022000	CLERK DC COURT OF 001475 -ST. PAUL -MN		
04-09	04-08	00000000004600003022000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09	
04-10	04-09	00000000004600003009000	CASH ADVANCE FROM -	5.00	
04-10	04-09	00000000004600003009000	CLERK DC COURT OF 001476 -ST. PAUL -MN		
04-10	04-09	00000000004600003009000	*FINANCE CHARGE* CASH ADVANCE FEE	1.40	
04-10	04-09	00000000004600003010000	CASH ADVANCE FROM -	82.50	
04-10	04-09	00000000004600003010000	METRO ATTORNEY SER001470 -ST. PAUL -MN		
04-10	04-09	00000000004600003010000	*FINANCE CHARGE* CASH ADVANCE FEE	3.18	
04-10	04-09	00000000004600003010000	CASH ADVANCE FROM -	187.00	
04-10	04-09	00000000004600003037000	METRO ATTORNEY SER001469 -ST. PAUL -MN		
04-10	04-09	00000000004600003037000	*FINANCE CHARGE* CASH ADVANCE FEE	0.12	
04-10	04-09	00000000004600003037000	CASH ADVANCE FROM -	7.00	
04-11	04-09	55428503100849387800955	CLERK COURT OF APP001477 -ST. PAUL -MN		
04-15	04-12	00000000004600002002000	PAYPAL *STATEWIDEPR 4029357733 FL	80.00	
04-15	04-12	00000000004600002002000	*FINANCE CHARGE* CASH ADVANCE FEE	14.90	
04-15	04-12	00000000004600002002000	CASH ADVANCE FROM -	876.70	
04-15	04-12	00000000004600002003000	MARY MASLOWSKI CSR001471 -ST. PAUL -MN		
04-15	04-12	00000000004600002003000	*FINANCE CHARGE* CASH ADVANCE FEE	8.66	
04-15	04-12	00000000004600002003000	CASH ADVANCE FROM -	509.50	
04-15	04-12	00000000004600002004000	MARY MASLOWSKI CSR001472 -ST. PAUL -MN		
04-15	04-12	00000000004600002004000	*FINANCE CHARGE* CASH ADVANCE FEE	9.21	
04-15	04-12	00000000004600002004000	CASH ADVANCE FROM -	541.90	
04-15	04-12	00000000004600002005000	MARY MASLOWSKI CSR001473 -ST. PAUL -MN		
04-15	04-12	00000000004600002005000	*FINANCE CHARGE* CASH ADVANCE FEE	6.27	
04-15	04-12	00000000004600002005000	CASH ADVANCE FROM -	369.10	
04-15	04-12	00000000004600004005000	MARY MASLOWSKI CSR001474 -ST. PAUL -MN		
04-15	04-12	00000000004600004005000	*FINANCE CHARGE* CASH ADVANCE FEE	0.09	
04-15	04-12	00000000004600004005000	CASH ADVANCE FROM -	5.00	
			NEW YORK STATE 001478 -ST. PAUL -MN		
LEA-ANN BIGELOW					
			CREDITS	PURCHASES	CASH ADV TOTAL ACTIVITY
			\$0.00	\$183.99	\$0.00 \$183.99
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-19	85309613079980013260904	B & A METAL GRAPHIC SILVER SPRING MD	84.00	
03-27	03-26	55546553085471583261098	INUMBR SACRAMENTO CA	99.99	
			Department: 05001 Total:	\$16,501.90	
			Division: 00001 Total:	\$16,501.90	
IANIS KELLY					
			CREDITS	PURCHASES	CASH ADV TOTAL ACTIVITY
			\$42.48	\$5,026.79	\$0.00 \$4,984.31
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-20	000000000000000000000000	OLIVER'S CLARKSBURG MD	540.00	
03-22	03-20	000000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	19.98 CR	
03-22	03-21	000000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	111.74	
03-22	03-21	000000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	275.31	
03-22	03-21	000000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	146.33	
03-25	03-22	000000000000000000000000	OFFICE DEPOT #5910 800-463-3768 PA	306.40	
03-25	03-23	000000000000000000000000	GOVERNMENT MOVERS INC 301-2773300 MD	1,245.88	
03-27	03-19	000000000000000000000000	AMERICAN DETAIL CLEANI 301-8816337 MD	22.50 CR	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2013

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-01	03-29		OFFICE DEPOT #1170 800-463-3768 OH	101.85	
04-01	03-29		OFFICE DEPOT #5910 800-463-3768 PA	195.00	
04-01	03-29		OFFICE DEPOT #5910 800-463-3768 PA	86.83	
04-01	03-29		OFFICE DEPOT #5910 800-463-3768 PA	500.83	
04-01	03-29		OFFICE DEPOT #5910 800-463-3768 PA	264.52	
04-01	03-29		OFFICE DEPOT #5910 800-463-3768 PA	47.75	
04-01	03-29		OFFICE DEPOT #5910 800-463-3768 PA	38.00	
04-01	03-29		OFFICE DEPOT #5910 800-463-3768 PA	142.50	
04-01	03-29		OFFICE DEPOT #5910 800-463-3768 PA	56.88	
04-04	04-03		STANDARD OFFICE SUPPLY 02028294820 DC	118.54	
04-04	04-03		OFFICE DEPOT #1170 800-463-3768 OH	31.50	
04-04	04-04		U LINE *SHIP SUPPLIES 800-295-5510 IL	140.99	
04-04	04-03		AOP BUSINESS SERVICES 02025260586 DC	39.38	
04-15	04-10		LEGALSTORE.COM SANTA MONICA CA	27.49	
04-18	04-17		WHITAKERBROTHERS.COM 03012302800 MD	621.07	
LESTER HARDING		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$4.04	\$0.00	\$4.04
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-15	04-12	55436873103121031614595	EQUIFAX INFO SERVICES 800-6855000 GA	4.04	
DENISE HAMM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$179.98	\$0.00	\$179.98
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-15	04-12	554298503102849582043050	LAMPSUSA 8775267247 WI	179.98	
HENRY HANSEN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$1,801.80	\$0.00	\$1,801.80
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-20		TYNEX WHITE CRYSTAL CLARITY 800-288-3847 IN	184.16	
03-21	03-20		TYNEX WHITE CRYSTAL CLARITY 800-288-3847 IN	184.16	
03-21	03-20		TYNEX WHITE CRYSTAL CLARITY 800-288-3847 IN	184.16	
03-21	03-20		TYNEX WHITE CRYSTAL CLARITY 800-288-3847 IN	146.00	
03-21	03-20		TYNEX WHITE CRYSTAL CLARITY 800-288-3847 IN	184.16	
03-21	03-20		TYNEX WHITE CRYSTAL CLARITY 800-288-3847 IN	184.16	
03-21	03-19		TYNEX WHITE CRYSTAL CLARITY 800-288-3847 IN	184.16	
03-22	03-21		TYNEX WHITE CRYSTAL CLARITY 800-288-3847 IN	90.00	
04-02	04-01		PA M&C MEDICAL SERVICES 800-288-3847 NY	460.00	
			CAL REGION LONGMOUTH NEW YORK NY	185.00	
NYREE THOMAS		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$3,007.04	\$0.00	\$3,007.04



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2013

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-20	03-18		2/90 SIGN SYSTEMS GRAND RAPIDS MI	302.67	
03-25	03-21		ALL STATE LEGAL CRANFORD NJ	483.00	
04-04	04-03		OFFICE DEPOT #5910 800-463-3768 PA	108.00	
04-04	04-03		OFFICE DEPOT #5910 800-463-3768 PA	76.59	
04-04	04-03		OFFICE DEPOT #5910 800-463-3768 PA	503.28	
04-05	04-04		OFFICE DEPOT #5910 800-463-3768 PA	37.98	
04-08	04-07		INDUSTRIES FOR THE BLJ 414-778-3040 WI	757.62	
04-09	04-08		GSA/FAS 800-488-3111 VA	196.38	
04-09	04-08		GSA/FAS 800-488-3111 VA	463.47	
04-12	04-11		IRON MOUNTAIN 800-327-8345 MA	78.05	
SARAH JAMBROSEK					
			CREDITS	PURCHASES	CASH ADV
			\$0.00	\$3,612.81	\$0.00
			TOTAL ACTIVITY		
			\$3,612.81		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-01	03-29	55547503088122998010155	GARVEY'S OFFICE PRODUC 08475881690 IL	2,074.50	
04-04	04-03	55547503093122002010293	GARVEY'S OFFICE PRODUC 08475881690 IL	893.00	
04-16	04-15	55547503105122011010140	GARVEY'S OFFICE PRODUC 08475881690 IL	845.31	
THOMAS WILLIAMS					
			CREDITS	PURCHASES	CASH ADV
			\$0.00	\$137.00	\$0.00
			TOTAL ACTIVITY		
			\$137.00		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-17	04-16	55499673106200299200324	DARLING INTERNATIONAL 09717170300 TX	137.00	
			Department: 05004 Total:	\$13,726.98	
MARGIE YATES					
			CREDITS	PURCHASES	CASH ADV
			\$0.00	\$29.94	\$0.00
			TOTAL ACTIVITY		
			\$29.94		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-01	03-29	05436843089100190932358	OFFICE DEPOT #5910 800-463-3768 PA	29.94	
			Department: 05006 Total:	\$29.94	
			Division: 00003 Total:	\$13,756.92	
SONDA B OWENS					
			CREDITS	PURCHASES	CASH ADV
			\$0.00	\$631.51	\$0.00
			TOTAL ACTIVITY		
			\$631.51		
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-22	03-22	55432863081000354592995	TDM/MGI LISTS 703-706-0383 VA	185.51	
03-25	03-22	05436843082600094717844	NATL ARCHIVES NREKA KANSAS CITY MO	20.00	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2013

NEW ACTIVITY					
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-28	03-27	55429503087027147560766	COURTCALL *#5492381 03103420888 CA	30.00	
03-29	03-28	75418233087000853463567	SURVEYMONKEY.COM 971-2445555 CA	24.00	
04-16	04-15	55429503106027215730892	COURTCALL *#5535397 03103420888 CA	72.00	
Department: 05007 Total:				\$631.51	
Division: 00004 Total:				\$631.51	
ANDRIETTA MINTER		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$950.00	\$8,762.25	\$250.00	\$8,062.25
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-20	55429503079849024138873	NEW HORIZONS 7037494030 VA	395.00	
03-21	03-20	55429503079849026813929	NEW HORIZONS 7037494030 VA	395.00	
03-22	03-21	000000000460006030000	*FINANCE CHARGE* CASH ADVANCE FEE	4.25	
03-22	03-21	000000000460006030000	CASH ADVANCE FROM -	250.00	
03-25	03-22	000000000460006030000	THE INSTITUTE OF 1001062 -ST. PAUL -MN	400.00	CR
03-26	03-25	000000000460006030000	US OPM 33951 304-870-8073 WV	4,000.00	
03-27	03-26	000000000460006030000	ORACL OPN 35318033600 CA	54.50	
03-27	03-26	000000000460006030000	DAN KAIN TROPHIES INC 07032891091 VA	64.50	
03-29	03-29	000000000460006030000	ENERGY BAR ASSOCIA WASHINGTON DC	550.00	
03-29	03-29	000000000460006030000	SABEW 602-496-5186 AZ	399.00	
04-12	04-10	000000000460006030000	ISACA 08476605546 IL	2,500.00	
04-15	04-13	000000000460006030000	ENERGY BAR ASSOCIA WASHINGTON DC	550.00	CR
04-17	04-17	000000000460006030000	ENERGY BAR ASSOCIA WASHINGTON DC	400.00	
CYNTHIA WATSON		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
[REDACTED]		\$0.00	\$67,054.98	\$0.00	\$67,054.98
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-21	03-19	000000000460006030000	DLI SOLUTIONS 783-773- HERNDON VA	1,140.06	
03-22	03-21	000000000460006030000	DTV/DIRECTV SERVICE 800-347-3288 CA	238.99	
03-22	03-21	000000000460006030000	TWC*TIME WARNER CABLE 816-358-8833 NY	253.49	
03-22	03-21	000000000460006030000	ATT*CONS PHONE PMT 800-704-8324 TX	107.85	
03-25	03-22	000000000460006030000	PCMG 800-6255468 EL SEGUNDO CA	921.63	
03-25	03-22	000000000460006030000	EMERGENT LLC VIRGINIA BCH VA	5,264.00	
03-25	03-21	000000000460006030000	ENTRUST, INC. DALLAS TX	130.85	
03-25	03-21	000000000460006030000	PATRIOT TECHNOLOGIES I 301-695-7500 MD	8,005.00	
03-26	03-25	000000000460006030000	CROSS MATCH TECHNOLOGI PALM BEACH GA FL	1,857.15	
03-28	03-27	000000000460006030000	FIBERLINK COMMUNICATIO BLUE BELL PA	24,952.22	
03-28	03-26	000000000460006030000	AXISCORE LLC EKENEU@AXISCO MD	600.70	
03-28	03-29	000000000460006030000	CDW GOVERNMENT 800-750-4239 IL	57.64	
03-29	03-28	000000000460006030000	CARTRIDGE DISCOUNTERS SAN DIEGO CA	1,381.69	
04-01	03-29	000000000460006030000	GRASSHOPPER GROUP, LLC NEEDHAM MA	59.00	
04-01	03-29	000000000460006030000	APL*APPLEONLINESTOREUS 800-876-2775 CA	49.99	
04-02	04-02	000000000460006030000	SERVER SUPPLY.COM INC 800-413-6989 NY	693.00	
04-03	04-01	000000000460006030000	AUTOPAY/DISH NTWK 800-804-9131 CO	152.00	
04-03	04-02	000000000460006030000	PROMPTER PEOPLE INC CAMPBELL CA	100.00	
04-04	04-03	000000000460006030000	TWC*TIME WARNER NYC 718-358-0900 NY	119.94	
04-04	04-04	000000000460006030000	SERVER SUPPLY.COM INC 800-413-6989 NY	693.00	
04-04	04-04	000000000460006030000	COMCAST OF WASHINGTON 800-COMCAST DC	716.95	
04-04	04-03	000000000460006030000	SANSBOT 631-7370206 NY	86.39	
04-05	04-04	000000000460006030000	STAPLES 00115329 WASHINGTON DC	226.99	



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2013

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-08	04-05		FRANKLIN COVEY PRODUCTS 800-819-1812 UT	227.56
04-09	04-08		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	43.48
04-09	04-09		ULINE SHIP SUPPLIES 800-285-5510 IL	89.63
04-09	04-08		DEVELOPER EXPRESS INC 07022620609 CA	1,317.45
04-09	04-08		CAMERON PACKAGING INC LIMA OH	327.51
04-10	04-09		OFFICE DEPOT #5910 800-463-3768 PA	512.93
04-10	04-09		OFFICE DEPOT #5910 800-463-3768 PA	398.75
04-10	04-09		OFFICE DEPOT #5910 800-463-3768 PA	42.98
04-10	04-08		MONOPRICE INC 09099896887 CA	24.53
04-10	04-09		EMV ONLINE ORDER 02627170043 WI	2,520.74
04-10	04-08		ECONOMIC SYSTEMS INC FALLS CHURCH VA	2,987.50
04-11	04-10		AT&T 287240832047 08003310500 GA	2,382.88
04-15	04-12		ADESTA LLC 402-2337627 NE	3,540.12
04-15	04-14		VZWRLSS/APOCC VISB 800-922-0204 GA	600.17
04-15	04-11		AUTOPAY/DISH NTWK 800-894-8131 CO	124.00
04-16	04-16		INTUIT OBOOKS/PROLINE 800-446-8948 CA	2,400.00
04-17	04-15		DLT SOLUTIONS 703-773-HERNDON VA	1,881.86
04-18	04-17		GLOBALSCAPE 02103088267 TX	813.36
Department: 05009 Total:				\$75,117.23
BEVERLY BROWN				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$5,626.50	\$0.00
				TOTAL ACTIVITY
				\$5,626.50
Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-05	04-03	85121783094980002343420	ALL CITI TONER BROOKLYN NY	3,890.10
04-09	04-08	85189933098980002330043	THE OFFICE PAL LAKEWOOD NJ	1,490.40
04-15	04-12	55432863102000918666637	AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	246.00
Department: 05010 Total:				\$5,626.50
Division: 00005 Total:				\$80,743.73
DANIEL MAY				
		CREDITS	PURCHASES	CASH ADV
		\$0.00	\$236.49	\$0.00
				TOTAL ACTIVITY
				\$236.49
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-21	03-20		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	22.49
03-25	03-23		AMAZON.COM AMZN.COM/BILL WA	30.25
03-29	03-28		AMAZON.COM AMZN.COM/BILL WA	15.83
04-01	03-29		MACMILLAN PUBLISHERS L BASINGSTOKE GBR	18.00
04-01	03-29		MACMILLAN PUBLISHERS L BASINGSTOKE GBR	18.00
04-01	03-29		MACMILLAN PUBLISHERS L BASINGSTOKE GBR	18.00
04-01	03-29		MACMILLAN PUBLISHERS L BASINGSTOKE GBR	18.00
04-06	04-05		AGRESOURCEC 3124080045 IL	65.00
04-08	04-06		AMAZON.COM AMZN.COM/BILL WA	18.98
04-15	04-12		AMAZON MKTPLACE PMTS AMZN.COM/BILL WA	11.94
Department: 05013 Total:				\$236.49
Division: 00007 Total:				\$236.49



Company Name: CFTC
Corporate Account Number: [REDACTED]
Statement Date: 04-19-2013

NEW ACTIVITY				
JANIS KELLY M HO		CREDITS	PURCHASES	CASH ADV
[REDACTED]		\$0.00	\$507.97	\$0.00
		TOTAL ACTIVITY		
		\$507.97		
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-21	03-20	[REDACTED]	EXXONMOBIL 47827449 WASHINGTON DC	57.52
03-21	03-19	[REDACTED]	SUNOCO 0299792200 WASHINGTON DC	102.00
03-22	03-21	[REDACTED]	MR WASH CAR WASH #6 ALEXANDRIA VA	15.99
03-22	03-21	[REDACTED]	MR WASH CAR WASH #6 ALEXANDRIA VA	15.99
03-29	03-27	[REDACTED]	SUNOCO 0299792200 WASHINGTON DC	98.77
04-08	04-05	[REDACTED]	EXXONMOBIL 47827449 WASHINGTON DC	65.21
04-11	04-10	[REDACTED]	MR WASH CAR WASH #6 ALEXANDRIA VA	15.99
04-11	04-10	[REDACTED]	MR WASH CAR WASH #6 ALEXANDRIA VA	15.99
04-18	04-17	[REDACTED]	EXXONMOBIL 47827449 WASHINGTON DC	52.00
04-19	04-17	[REDACTED]	SUNOCO 0299792200 WASHINGTON DC	67.51

Department: 05017 Total: \$507.97  
 Division: 00010 Total: \$507.97

COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

Regulatory Overreach in Government

It was surprising to read a headline titled “CFTC’s Derivative Guidelines Befuddle [Federal Housing Finance Agency]” (Asset-Backed Alert 10/26/12). In another related Wall Street Journal article that reads the CFTC regulations are “the latest roadblock to restarting the virtually dormant market for private mortgage-backed securities without federal guarantees”. CFTC’s expansion of the definition of “Commodity Pool” is the cause of this story. This is creating more red tape and more government guarantees.

31. Has CFTC resolved this issue with FHFA?

**Response:** The Commission is coordinating with FHFA on this matter. Staff is preparing a letter providing that DSIO will not recommend enforcement action against the government sponsored entities due to the role of FHFA as their regulator.

32. Please provide any correspondence between FHFA and CFTC regarding this issue.

**Response:** Included below is a related request from the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

Insert 13

17 C.F.R. Part 4  
7 U.S.C. §§ 1a(10) and 1a(11)

**CONFIDENTIAL TREATMENT REQUESTED BY FANNIE MAE  
AND FREDDIE MAC**

April 26, 2013

Mr. Gary Barnett  
Director, Division of Swap Dealer and Intermediary Oversight  
United States Commodity Futures Trading Commission  
Three Lafayette Center  
1155 21st Street, N.W.  
Washington, D.C. 20581

By hand delivery and electronic delivery to [dsioletters@cftc.gov](mailto:dsioletters@cftc.gov)

**Regarding: Request for no-action relief from the Division of Swap Dealers and Intermediary Oversight pursuant to 17 C.F.R. § 140.99: exemption for certain government-sponsored enterprises (“GSEs”) from requirement to register as “commodity pool operators”**

Dear Mr. Barnett:

The Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac,” and together with Fannie Mae, the “Enterprises”)<sup>1</sup> are submitting this request for no-action relief in connection with a proposed risk-sharing structure to transfer credit risk of mortgage loans held or securitized by the applicable Enterprise and to establish a market valuation for the guarantee that such Enterprise provides to holders of its mortgage-backed securities (“MBS”). The Enterprises are asking the Division of Swap Dealers and Intermediary Oversight (the “Division”) of the Commodity Futures Trading Commission (the “Commission”) to confirm that it will not take action against either of the Enterprises if they do not register as commodity pool operators in connection with this risk-sharing initiative.

**A. Background on the Enterprises**

Fannie Mae and Freddie Mac are government sponsored enterprises chartered by Congress with a public mission to stabilize the nation’s residential mortgage markets and expand opportunities for homeownership and affordable rental housing. The Enterprises’ statutory

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<sup>1</sup> The main business address and main business phone number of Freddie Mac are 8200 Jones Branch Drive, McLean, VA 22012 and 703-903-2000, respectively. The main business address and main business phone number of Fannie Mae are 3900 Wisconsin Avenue, NW, Washington, DC 20016 and 202-752-7000, respectively. Neither of the Enterprises has a National Futures Association number.

**CONFIDENTIAL TREATMENT REQUESTED BY FANNIE MAE  
AND FREDDIE MAC**

Commodity Pool No-Action Request

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missions are to provide liquidity, stability and affordability to the U.S. housing market. The Enterprises fulfill these missions by purchasing residential mortgages and mortgage-related securities in the secondary mortgage market and securitizing them into mortgage-related securities that can be sold to investors. Through their credit guarantee activities, they securitize mortgage loans by issuing pass-through certificates to third-party investors. Neither the U.S. government nor any agency or instrumentality of the U.S. government, other than the Enterprises, guarantee the Enterprises' securities and other obligations.

In the Enterprises' single-family business, they use mortgage securitization to fund millions of home loans every year. The Enterprises pool the mortgages they purchase from lenders across the country and package them into securities that can be sold to investors. These investors include the lenders themselves, pension funds, insurance companies, securities dealers, commercial and central banks, and others. Each Enterprise guarantees payments of principal and interest on the MBS it issues. Since the beginning of the financial crisis, nearly all mortgage loan securitization has been conducted by Freddie Mac, Fannie Mae and the Government National Mortgage Association ("Ginnie Mae").

**B. FHFA's Role as Regulator**

The Federal Housing Finance Agency ("FHFA") was created in 2008 by the Housing and Economic Recovery Act of 2008 ("HERA").<sup>2</sup> FHFA's mission is to provide effective supervision, regulation and housing mission oversight to Fannie Mae, Freddie Mac and the Federal Home Loan Banks to promote their safety and soundness and support housing finance, affordable housing and a stable and liquid mortgage market.

Under the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended by HERA (the "Safety and Soundness Act"), FHFA exercises broad authority to regulate the mission and safety and soundness of the Enterprises.<sup>3</sup> The principal duties of FHFA under the Safety and Soundness Act are to oversee the prudential operations of the Enterprises and to ensure that each Enterprise operates in a safe and sound manner, including ensuring that:

- each Enterprise maintains adequate capital and internal controls;
- the operations and activities of each Enterprise foster liquid, efficient, competitive, and resilient national housing finance markets (including activities related to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities);
- each Enterprise complies with the Safety and Soundness Act and all rules, regulations, guidelines, and orders issued;

<sup>2</sup> Pub.L. 110-289, 122 Stat. 2654, enacted July 30, 2008.

<sup>3</sup> 12 U.S.C. § 4501 et seq.

**CONFIDENTIAL TREATMENT REQUESTED BY FANNIE MAE  
AND FREDDIE MAC**

Commodity Pool No-Action Request

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- each Enterprise carries out its statutory mission only through activities that are authorized under and consistent with the Safety and Soundness Act and each Enterprise's charter act; and
- the activities of each Enterprise are consistent with the public interest.

FHFA has implemented this statutory authority by establishing a comprehensive supervisory program to examine the overall safety and soundness of the Enterprises. FHFA's supervisory functions over the Enterprises include accounting and disclosure, capital adequacy, compliance, examination, financial analysis, policy research and on-site supervision. Each of these functions contributes to a robust assessment of the safety and soundness of the Enterprises.

In particular, the capital adequacy function assesses capital using various quantitative measures and evaluates how well the Enterprises measure and manage their capital. Through the examination function, FHFA examines the Enterprises, prepares and issues reports of examination summarizing the financial condition and management practices of each Enterprise, and seeks preventative and corrective actions if appropriate. FHFA is the only regulatory agency that publishes a report of its examination results in an annual report to Congress. Through the financial adequacy function, FHFA monitors, analyzes, and reports on the Enterprises' historical and projected financial performance.

In addition, FHFA issues regulations to implement the Safety and Soundness Act and perform its regulatory responsibilities over Fannie Mac and Freddie Mac. These regulations address Enterprise matters such as corporate governance, executive compensation, risk-based capital, safety and soundness and mission.

FHFA is a member of the Financial Stability Oversight Council.

**C. Transaction Structure**

As part of their support for the secondary mortgage markets and their issuance of MBS, the Enterprises guarantee the principal and interest on their MBS, and thus bear the mortgage credit risk under those transactions. Establishing a path for shifting mortgage credit risk from the Enterprises (and, thereby, taxpayers) to private investors is a central goal of the FHFA. The risk sharing initiative described in this letter represents one of the key steps for accomplishing this goal.

The risk sharing initiative is designed to transfer credit risk from the Enterprises to the capital markets. Under the initiative, each of the Enterprises will establish a series of special purpose vehicles (SPVs) that will issue debt securities (notes) linked to a portfolio of mortgage loans for which the related Enterprise bears the credit risk, either directly through ownership of the loans or indirectly through its guarantees of MBS backed by the loans. Each reference pool

**CONFIDENTIAL TREATMENT REQUESTED BY FANNIE MAE  
AND FREDDIE MAC**

Commodity Pool No-Action Request

Page 4

will be static, meaning that it would not change over the life of the related notes except to the extent that reference loans were prepaid or defaulted and thus exited the pool. Each Enterprise will use the SPVs to hedge its credit risk and will transfer the credit risk only to the extent necessary to create this hedge.

The basic structure of the risk sharing initiative is as follows:

- Each Enterprise designates a reference pool of loans and provides investors with a comprehensive offering memorandum, including detailed loan-level data about the underlying loans.
- Investors purchase fixed-income notes issued by the SPV. Potential purchasers are limited to sophisticated institutional investors.
- The SPV enters into a swap agreement with the related Enterprise concurrently with the issuance of notes, by which the Enterprise agrees to pay a credit premium to the SPV and the SPV agrees to make payments to the Enterprise with respect to specified credit events<sup>4</sup> affecting loans in the reference pool. The swap agreement remains in place for the entire term of the related issuance and the SPV will enter into no additional swaps.
- When a credit event occurs, the SPV will make a payment to the Enterprise according to a fixed loss severity table that is based on historical loan performance data,<sup>5</sup> or on another basis as specified in the offering documents for the SPV. Any such payment to the Enterprise by the SPV will result in a corresponding reduction in the principal balance of the notes issued by the SPV.
- Loans exit the reference pool when they are paid in full or when a credit event occurs. No new loans are added to the reference pool at any time.
- The cash proceeds from sale of the notes are invested in cash equivalents/high quality short-term liquid assets. The assets will collateralize the SPV's obligations to make payments of principal to noteholders and payments in respect of credit events to the Enterprises.
- Investors receive a stated rate of return, which is paid (i) from the credit premium advanced by the related Enterprise under the swap agreement and (ii) from investment earnings on the collateral to the extent available. Principal on the notes (as may be reduced due to payments made by the SPV to the Enterprise in respect of credit events) is

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<sup>4</sup> Specified credit events include loans that become 180-days delinquent and loans less than 180-days delinquent that are resolved via short sales or deeds-in-lieu of foreclosure.

<sup>5</sup> The loss percentages in the fixed severity table are structured to increase along with the percentage of the cumulative balance of the reference pool that has experienced a credit event.

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returned as the reference pool amortizes, subject to specified bond performance triggers, using proceeds of the collateral.

- Investors will in no event receive more than the agreed rate of return and the ultimate repayment of principal.
- Investors will have access to historical data on a substantial portion of the related Enterprise's loan portfolio, thus enabling them to make their own independent assumptions. In effect, the investors are at risk for credit events on the reference loans under the swap and are compensated for assuming that risk. The initial transaction will be structured to return full principal and interest to investors if credit events do not exceed assumed levels.

**D. Disclosures, Marketing and Reporting**

The disclosures and reporting provided to investors, with respect to each note issuance, will be robust, appropriate for the product, and consistent with the needs and expectations of investors. The Enterprises will provide loan-level data with respect to each loan in the reference pool and will post historical loan-level performance data with respect to a substantial portion of its overall portfolio of loans.

With respect to investor access to historical data as mentioned above, Freddie Mac has provided and Fannie Mae plans to provide an unprecedented release of historical performance data. The performance data covers fully documented, fully amortizing 30-year fixed-rate mortgage loans and meeting certain additional selection criteria,<sup>6</sup> and is expected to be updated on a quarterly basis. Loans to be included in the historical data release are believed to be generally similar to loans in the reference pool. The Enterprises believe this release of data will be more relevant than anything that would be required to be disclosed with respect to past performance under the Commission's Part 4 rules.

The notes are expected to be high-yield debt securities to be offered and sold only to sophisticated investors as permitted under Rule 144A and Regulation S promulgated by the Securities and Exchange Commission (the "SEC"). The disclosure will clearly describe the reference pool of loans, the circumstances under which the related SPV will be liable for making payments to the Enterprise under the swap agreement in respect of credit events affecting the reference pool, the risk factors associated with investment in the notes, and an analysis of how different levels and timing of credit events may affect the ultimate return on the notes. The coupon on the notes will be a market rate that reflects the risk perceived by investors in the

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<sup>6</sup> In the case of Freddie Mac, the loans must have been originated between January 1, 1999 and December 30, 2011. In the case of Fannie Mae, the loans must have been delivered to Fannie Mae between January 1, 2000 and March 31, 2012.

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notes. The disclosures will focus primarily on the fact that the notes are debt securities with a stated rate of return that create exposure to the credit risk of a pool of reference loans. The disclosures will not describe the SPVs as vehicles for trading in swaps or other commodity interests.

The Enterprises will provide monthly reports on behalf of each SPV that will disclose payments made and received under the swap, payments made to investors, updated loan-level data with respect to the reference pool, the occurrence of any credit events with respect to the reference pool, the effect of those credit events on the SPV and the noteholders, and the current balance of the collateral at the end of the relevant month.

Given the static nature of the structure, and consistent with SEC practice for securitization vehicles, the Enterprises do not intend to obtain audited financial statements for the SPVs. Because the SPVs will issue debt securities, the Enterprises do not intend to provide net asset value calculations, which we believe would have no significance for investors. Moreover, given that all investments of the SPVs will be in cash equivalents/high quality short-term liquid assets, the Enterprises do not intend to provide a schedule of these investments. Neither Form PF nor Form CPO-PQR will be provided.

**E. Legal Analysis and Request for Relief**

The Commodity Exchange Act was amended by the Dodd-Frank Act to add a definition of “commodity pool,” under which a commodity pool is “any investment trust, syndicate, or similar form of enterprise operated for the purpose of trading in commodity interests, including any . . . swap.”<sup>7</sup> Many entities that hold swaps to hedge interest rate or currency risk, or for a narrow range of other purposes, appeared to be encompassed by this definition as interpreted by the Commission. However, the Division has issued recent interpretative guidance that excludes many such vehicles, colloquially referred to as “accidental commodity pools,” from the definition of “commodity pool.”<sup>8</sup> One area in which the Division has been reluctant to grant relief is where the swap itself is a significant source of investment exposure, such as in synthetic securitizations.<sup>9</sup> Thus, because the Enterprises’ risk transfer structures will involve the establishment of an SPV that will hold an interest in a swap that creates synthetic exposure to the risk of mortgage loans held or securitized by the Enterprises, the Division has taken the position that the SPVs fall within the definition of “commodity pool” set forth in Section 1(a)(10) of the Commodity Exchange Act.

Notwithstanding this position, the Enterprises may still be exempted from registration as commodity pool operators. Section 4.12(a)(1) of the Commission’s rules provides that “[t]he

<sup>7</sup> 7 U.S.C. § 1a(10).

<sup>8</sup> See, e.g., CFTC Letter 12-13 (October 11, 2012); CFTC Letter 12-14 (October 11, 2012); and CFTC Letter 12-45 (December 7, 2012).

<sup>9</sup> See CFTC Letter 12-45 at 2 (“However, if . . . the issuer uses swaps to create synthetic investment exposure, the issuer would not be entitled to claim the exclusion provided in the 12-14 Letter.”)

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Commission may exempt any person or classes of persons from any provision of this part 4 if it finds the exemption is not contrary to the public interest and the purposes of the provision from which the exemption is sought.”<sup>10</sup> In addition, Rule 4.5, “Exclusion for certain otherwise regulated persons from the definition of ‘commodity pool operator,’” provides exclusions in certain circumstances from CPO registration for registered investment companies; regulated insurance companies; banks, trusts and other insured depository institutions; and ERISA plan trustees and fiduciaries.<sup>11</sup> Given the comprehensive oversight provided by the FHFA as regulator for the Enterprises, and the public policy considerations supporting the establishment of the Enterprises’ risk-sharing initiative, we believe that the no-action relief requested here is consistent with the rationale of Rule 4.5 and meets the standard for an exemption under Rule 4.12(a)(1).

The Enterprises note that the Division has recently granted no-action relief to the operators of other types of vehicles that it has determined to be commodity pools.<sup>12</sup> For example, the Division granted no-action relief to business development companies, which are similar to registered investment companies but do not fall within the specific provisions of Rule 4.5.<sup>13</sup> Although the Division refused to issue interpretative guidance that Rule 4.5 applied to business development companies, it found sufficient similarities to registered investment companies, including similar regulatory requirements, to support the grant of no-action relief.<sup>14</sup>

Given the role of FHFA as regulator for the Enterprises, including with respect to safety and soundness standards, the Enterprises believe that relief for the Enterprises is likewise consistent with the policy rationale of Rule 4.5, i.e., that Commission regulation is not needed when sufficient regulatory oversight is otherwise applicable. The Enterprises therefore ask that the Division confirm that it will not recommend enforcement action if the applicable Enterprise (or any other person, if any, involved in operating the SPVs) does not register as a commodity pool operator, or otherwise does not comply with the Commission’s Part 4 rules, in connection with the transactions entered into pursuant to its risk sharing initiative.

As required by 17 C.F.R. § 140.99(c)(3)(ii), the Enterprises hereby undertake that, if at any time prior to issuance of a letter, any material representation made in this request ceases to be true and complete, the Enterprises will ensure that Division staff is informed promptly in writing of all materially changed facts and circumstances.

The Enterprises appreciate your consideration of this request. If you have any questions about this request, please do not hesitate to call the Enterprises’ outside counsel, Ellen Marks of

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<sup>10</sup> 17 U.S.C. § 4.12(a)(1).

<sup>11</sup> 17 U.S.C. § 4.5.

<sup>12</sup> See, e.g., CFTC Letter 12-40 (December 4, 2012) (the “BDC Letter”) and CFTC Letter 12-44 (December 7, 2012).

<sup>13</sup> See the BDC Letter.

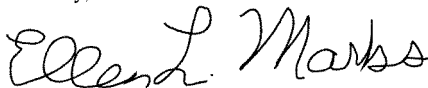
<sup>14</sup> *Id.*

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Latham & Watkins LLP, at (312) 876-7626, or the appropriate individual at FHFA, General Counsel Alfred M. Pollard, at 202-649-3050.

Sincerely,

A handwritten signature in black ink that reads "Ellen L. Marks". The signature is written in a cursive, flowing style.

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Ellen L. Marks

Latham & Watkins LLP  
233 South Wacker Drive  
Suite 5800  
Chicago, IL 60606  
(312) 876-7700  
[ellen.marks@lw.com](mailto:ellen.marks@lw.com)

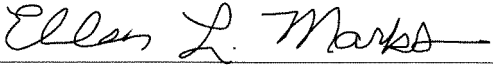
*Counsel to Fannie Mae and Freddie Mac*

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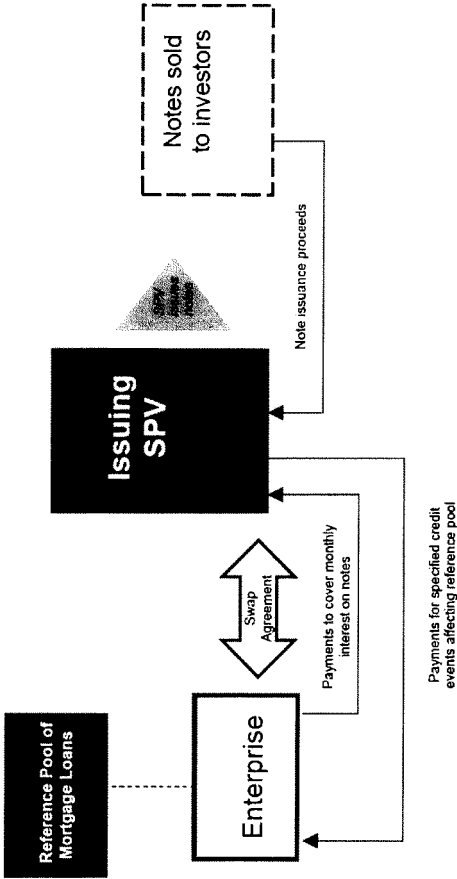
Certification Pursuant to Commission Regulation 140.99(c)(3)

As required pursuant to Commission regulation 140.99(c)(3), I hereby certify that the material facts set forth in the attached letter dated April 26, 2013 are true and complete to the best of my knowledge.

A handwritten signature in cursive script, reading "Ellen L. Marks", written over a horizontal line.

Ellen L. Marks of  
LATHAM & WATKINS LLP

# Risk Sharing Structure Summary



COMMODITY FUTURES TRADING COMMISSION  
QUESTIONS FOR THE RECORD  
HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
APRIL 12, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

Last Edit: June 28, 2013

Working Group

33. Please provide the Subcommittee with the resources that were dedicated to the Oil and Gas Fraud Working Group for FY 2012 to the present. Include the number of staff working on the project, their division, position level, and salary. Include the number of times the group has met.

**Response:**

Division	Title	Pay Grade
Division of Enforcement	Deputy Director	CT 16
Division of Enforcement	Economic Advisor to the Director	CT 14
Division of Market Oversight	Deputy Director	CT 16

**Since FY 2012 (October 1, 2011) to the present, the full Oil and Gas Price Fraud Working Group has formally met together six times.**

**March 9, 2012**

**April 12, 2012**

**May 23, 2012**

**September 20, 2012**

**January 18, 2013**

**April 4, 2013**

**The co-chairs have conferred many additional times on an as-needed basis, and CFTC staff remains in contact with other Working Group members on a variety of issues.**

Section 716 Swaps Pushouts

Section 716 of Dodd-Frank requires that Insured Depository Institutions pushout their swaps trading activities by July 16, 2015 following guidance submitted by the OCC and other prudential regulators clarifying the timing. However, foreign banks, insured or uninsured with U.S. branches must push out all swaps trading activity by July of 2013. This is due to a technical drafting error.

34. Does CFTC believe this technical error can be solved through rules and regulations or will there need to be an act of Congress to resolve this issue, pitting U.S. Banks versus Non-U.S. Banks?

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**Response: On June 5, 2013, the Federal Reserve Board approved an interim final rule clarifying the treatment of uninsured U.S. branches and agencies of foreign banks under section 716. The interim rule is to clarify that uninsured U.S. branches and agencies of foreign banks will be treated as insured depository institutions.**

35. Does CFTC need or plan to issue any regulations, rules, interpretive guidance, exemptive orders, or no-action letters regarding section 716?

**Response: The CFTC has no plans in regard to such actions.**

Legislative Proposal for User Fees

The President's fiscal year 2014 budget request discusses a legislative proposal to collect user fees to fund the Commission's financial regulation activities.

36. What is the current status of that legislative proposal?

**Response: To my knowledge, the Administration has not yet submitted the legislative proposal.**

37. When does the Administration plan on submitting the legislation to the Congress?

**Response: I am not aware of the planned timing for the submission.**

38. When would the legislation have to be enacted for the collections to be in place in order to collect the fees?

**Response: To the extent that the CFTC would be required by the legislative proposal to develop fee levels, sufficient time would need to be provided for the process of making the relevant determinations.**

39. What would the fee be based on, who would have to pay the fee and how much would the fee be?

**Response: The fee could be based on futures, options, and swap transactions with fee payment required by parties to the transactions. Fee rates presumably would be determined for each fiscal year at a level that will recover the costs to the federal government of the annual appropriation to the CFTC by Congress.**

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Five-Year Strategic Technology Plan

In his prepared testimony, Commissioner O'Malia, Chairman of the Technology Advisory Committee outlined his objective for a Five-Year Strategic Technology Plan.

40. Does the Chairman support such a plan? If so, please broadly outline the vision for what such a plan would be based upon.

**Response: The Commission is in the process of developing a five-year Strategic plan to cover the 2014-2018 period. The IT Strategic Plan will be an important component as an integrated part of the mission-wide plan. I expect the Strategic Plan to include the identification of key strategic IT initiatives that support the Commission in accomplishing its critical mission.**

QUESTIONS SUBMITTED BY CONGRESSMAN TOM LATHAM

Recording of Phone Calls, Instant Messages and Text Messages Related to Cash Sales

Chairman Gensler, in June 2011, CFTC proposed a rule that would have required companies that have a futures exchange membership to record all oral and written communication regarding futures and related cash commodity trades and retain those communications for 5 years. But in your final rule, the CFTC, in its wisdom, backed off a little by excluding members of a DCM – that are not otherwise registered with either the CFTC or NFA – from the oral recording requirements. Why was it a good idea to exclude this particular group from recording phone calls?

If the appropriate policy regarding members of a DCM—that are not otherwise required to be registered with the CFTC—is to not require recording of oral communications related to cash commodity sales, does it make sense to make them retain the 21<sup>st</sup> century analogs for oral conversation, such as text messages and instant messages?

My understanding is that text messaging and instant messaging are difficult, if not impossible, for a company to capture and retain, especially with respect to mobile devices, which have proprietary software and operate on proprietary networks. In order to comply with the final rule as written, companies will have no choice but to avoid text messaging, instant messaging, and

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Last Edit: June 28, 2013

the like, and simply go back to using the phone, which they do not have to record. Is this the policy outcome that you envisioned with this final rule?

**Response:** Commission staff are aware that there are companies that have been offering technological solutions for entities to capture and retain IMs and text messages.

The overarching purpose of the Commission's final rule is to promote market integrity and protect customers. Requiring the recording and retention of oral communications will serve as a disincentive for covered entities to make fraudulent or misleading communications. The Commission received comments regarding the cost of implementing and maintaining an oral communication recording system for small entities and the commercial end-user, non-intermediary members of a DCM or SEF. In response, the Commission determined to exclude from the new oral communications requirement members that are not registered or required to be registered with the Commission in any capacity.

M.F. Global Bankruptcy

About a year ago the CFTC was in discussion on a rule to protect certain customers against situations like that created by the M.F. Global collapse. What is the status of that rulemaking, or any rulemaking concerning this type of situation?

**Response:** In the fall of 2012, the Commission sought public comment on a proposal that would strengthen the controls around customer funds at FCMs. It would set new regulatory accounting requirements and would raise minimum standards for independent public accountants who audit FCMs. And it would provide regulators with daily direct electronic access to the FCMs' bank and custodial accounts for customer funds.

The proposal includes a provision on residual interest to ensure that the assets of one customer are not used to cover the positions of another customer. We are considering the comments that have been filed on this and plan to finalize the proposal consistent with the Commodity Exchange Act and the overall goal of protecting customers.

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Last Edit: June 28, 2013

Were any of the aspects of the M.F. Global case referred to the Justice Department for possible fraud?

**CFTC Staff Response: The Commission's practice is to not publicly acknowledge, discuss or deny any existing or potential criminal investigation.**

TUESDAY, APRIL 16, 2013.

## **BUDGET HEARING: DEPARTMENT OF AGRICULTURE**

### **WITNESSES**

**HON. THOMAS VILSACK, SECRETARY, DEPARTMENT OF AGRICULTURE**  
**JOSEPH GLAUBER, CHIEF ECONOMIST, DEPARTMENT OF AGRICULTURE**

**MICHAEL YOUNG, BUDGET OFFICER, DEPARTMENT OF AGRICULTURE**

### **INTRODUCTION OF WITNESSES**

Mr. ADERHOLT. The subcommittee will come to order. Today we begin our review of USDA's fiscal 2014 budget request. I want to welcome the Secretary of Agriculture, Tom Vilsack; the chief economist, Dr. Joe Glauber; and Mike Young, USDA's budget director to the subcommittee. Go, gentlemen, thank you for being here this morning. And we look forward to your testimony.

The strength of American agriculture continues to be in our network of domestic and international partnerships, producers in rural communities, research scientists looking for ways to increase production while protecting the environment, and exporters seeking out new markets. This system allows for less than 2 percent of our population to produce safe, wholesome and affordable food for our Nation and much of the world.

Agricultural exports continue to be a bright spot in our trade balance as projected for fiscal year 2013 exports are forecast at a record \$142 billion, while imports are forecast at \$112.5 billion, resulting in a \$29.5 billion trade surplus.

Every Member should be aware that this subcommittee provides the funding for the agencies—Research, Foreign Ag Service, Animal and Plant Health Inspection Service, Food Safety and Inspection Service, among others—that play an important role in keeping American agriculture safe and competitive. More importantly, we have to thank the American taxpayers who entrust us with using their tax dollars in the most efficient and effective way possible.

Turning to USDA's budget request, at first glance it would appear to be straightforward. In fact, the Secretary's testimony says that the request is approximately \$109 million below the 2013 enacted level. However if you look a little deeper, you will see increases in every major area of the Department compared to the enacted levels of fiscal year 2013 Continuing Appropriations Act. All told, there are some \$1.3 billion in increases that are largely offset by a proposal to cut \$1.4 billion from agricultural programs and move them to international development assistance programs. It is a risky proposition to pay for increases based on a proposal that at least 21 Senators are on record opposing, including the ag appropriations subcommittee chair and ranking member, the ag author-

izing and committee chair and ranking member, and the full committee chair on appropriations.

Secondly, the budget includes proposals to eliminate the direct payments to farmers, modify the Conservation Reserve Program and change the crop insurance program. While these proposals may or may not have merit, they do have to go through the authorizing committees.

One of the things that the authorizing committee agreed on last year on a bicameral and bipartisan basis as they were developing their respective versions of the farm bill was to reduce spending on SNAP. The Senate bill had a \$4 billion reduction that passed the Democrat-controlled body, and the House bill had a \$16 billion reduction that passed the full committee, yet your budget proposes to maintain the increase that was provided in the Recovery Act at an additional cost of \$2.3 billion. There seems to be some disconnect with those numbers.

Finally, we look at the presence of overall requests and find that it is paid for with an additional \$1.1 trillion in new taxes and never balances. In a sense this whole proposal really does fit the axiom "dead on arrival."

[The information follows:]

**Chairman Robert Aderholt**  
**Hearing on USDA's FY 2014 Budget Request**  
**April 16, 2013**  
**Remarks as Prepared**

Today we begin our review of USDA's fiscal year 2014 budget request. I want to welcome Secretary of Agriculture Tom Vilsack, Chief Economist Dr. Joe Glauber, and Mike Young, USDA's Budget Director to the subcommittee.

The strength of American agriculture continues to be in our network of domestic and international partnerships, producers in rural communities, research scientists looking for ways to increase production while protecting the environment, and exporters seeking out markets. This system allows for less than 2 percent of our population to produce safe, wholesome, and affordable food for our Nation and much of the world. Agricultural exports continue to be a bright spot in our trade balance as projected fiscal year 2013 exports are forecast at a record \$142 billion while imports are forecast at \$112.5 billion resulting in a \$29.5 billion trade surplus. Every member should be aware that this subcommittee provides the funding for the agencies – Research, Foreign Ag Service, Animal and Plant Health Inspection Service, Food Safety Inspection Service, among others – that play an important role in keeping American agriculture safe and competitive. More importantly, we have to thank the American taxpayers who entrust us with using their tax dollars in the most efficient way possible.

Turning to USDA's budget request, at first glance, it would appear to be straightforward. In fact, the Secretary's testimony says that the request is approximately \$109 million below the 2013 enacted level. However, if you look a little deeper you will see increases in every major area of the Department compared to the enacted levels in the FY 13 Continuing Appropriations Act. All told, there are some \$1.3 billion in increases that are largely offset by a proposal to cut \$1.4 billion from agriculture programs and move them to international development assistance programs. It's a risky proposition to pay for increases based on a proposal that at least 21 senators are on record opposing, including the Agriculture Appropriations Subcommittee Chairman and Ranking Member, the Ag Authorizing

Committee Chair and Ranking Member, and the Full Committee Chair on Appropriations.

Secondly, the budget includes proposals to eliminate direct payments to farmers, modify the Conservation Reserve Program, and change the crop insurance program. While these proposals may or may not have merit, they do have to go through the authorizing committees. One of the things that the authorizing committees agreed on last year, on a bicameral and bipartisan basis, as they were developing their respective versions of the farm bill was to reduce spending on SNAP. The Senate bill had a \$4 billion reduction that passed the Democratic- controlled body, and the House bill had a \$16 billion reduction that passed the full committee. Yet your budget proposes to maintain the increase that was provided in the Recovery Act at an additional cost of \$2.3 billion. There just seems to be a disconnect here.

Finally, I look at the President's overall request and find that it is paid for by an additional \$1.1 trillion in new taxes, and never balances. In a sense, this whole proposal really does fit the axiom, "dead on arrival."

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Mr. ADERHOLT. Mr. Secretary, before I recognize you for your opening statement, I would like to ask the ranking member of the subcommittee, the distinguished gentlemen from California Mr. Farr, for his opening remarks.

Mr. FARR. Well, thank you, distinguished chairman. Thank you very much.

Thank you, Mr. Secretary, for being here. I am a big fan of your administration of this agency, and I think in the process of giving you these budgets and CRs and sequestrations, I think your Department really got whacked, and I am sorry to see how hard it got whacked.

I think you haven't got credit for what you are doing in trying to focus on a strategy for rural America in developing the rural economy, and I congratulate you for your focus on that. I think you haven't got any credit for the leverage efficiencies that you were able to find in the Department to have savings. I wonder if the blueprint for stronger service is systemwide, is governmentwide, or is that only in the Department of USDA, because we have never heard any other department find the kind of administrative savings that you have been able to find just doing commonsense approach to modern management.

I am concerned about the cuts to NRCS. I think I would also have some concerns that we need to upgrade NRCS to use the best management practices, much like they are doing in organic, because there are a lot of lessons learned in organic that traditional agriculture is following in my district, and they are very pleased when they see organic researchers being able to teach them how to use less herbicides, pesticides and so on.

And I think just one challenge for you, really not a committee or budget question, is that I think as a former Governor and mayor, you understand local government. I think this next decade is essentially one where the Federal Government, because of lack of increased resources, financial resources, is going to be stuck, and we are going to be stuck funding the old silos that have been created, you know, long times ago. And I think this is a real opportunity to do realignment.

In many ways I look at why doesn't the Federal Government contract with States and local governments to provide services when they have on-the-ground people doing the exact same thing? We have done this in military bases by allowing cities to take over the operations of a military base, doing all the what they call base ops, which is, mowing the lawns and paving the streets and things like that, and fixing things when they are broken. So those are sort of challenges that I think, as we look forward, you have the opportunity to do a lot of realignment, and I hope you look at it.

I look forward to the testimony, and, Mr. Chairman, that concludes my remarks.

Mr. ADERHOLT. Okay. Thank you, Mr. Farr. Just as a remainder, if anyone has any electronic devices that ring, if you could put those on mute or turn those off.

Mr. Secretary, let me just say that this is a busy morning on Capitol Hill. We have three of your colleagues in the Cabinet that are at different hearings this morning on the appropriations process, so the Members will be going back and forth between hearings.

I plan to be here, but there will be some Members after they ask their questions may be slipping out to run by another subcommittee and also some coming in late. So as you know, that is part of the protocol up here.

But, without objection, your entire testimony will be included in the record, and I want to recognize you now for your oral statement, and we will proceed then with the questions. So you have the mike, Mr. Secretary.

#### OPENING STATEMENT

Secretary VILSACK. Mr. Chairman, thank you very much to you and to Congressman Farr and the other members of the Committee. We appreciate the opportunity to be here today.

I will tell you that I think all of us are here with a slightly heavier heart as a result of the activities that took place yesterday. I myself have completed five marathons, and I know that at the end of that race, it is supposed to be a point of exhaustion, but jubilation and celebration, and unfortunately that was the not the case yesterday. But yet it is important for us to send a message to the rest of the world that we are going to not stop doing business, and so I appreciate the fact that you are having this hearing today and will do our best to do it in a professional way.

I don't envy this Committee's challenge. You obviously have a concern, as I do, for rural America and for those who farm and ranch our lands, and at the same time, you are obviously confronted with some serious fiscal challenges. We provide a budget today which we think provides balance.

Let me point out the discretionary budget authority in this budget will put us below the 2009 levels. In fact, it will put us roughly a billion dollars below the 2009 levels. Let me also point out that as a result of steps that we have taken over the course of the last 4 years, we have reduced the staff years at USDA by nearly 5,000 fewer staff years.

Notwithstanding the fact that we have fewer people and fewer resources, we are still seeing an increased level of service being provided to those who live, work and raise their families in rural America. Whether it is ag exports, conservation, farm service loans, rural development, all of that is at or above record levels.

So we come today with a budget that is focused on trying to do what needs to be done to help our farmers, ranchers and producers. This budget will provide credit to 34,000 farmers. It will continue to expand opportunities in research. It will provide a strong safety net, allocating nearly \$9½ billion for crop insurance and reinstating disaster assistance programs that were allowed to lapse in 2011 which are extraordinarily important to livestock producers in this country. It will allow us to continue to aggressively promote trade, as the chairman indicated the importance of exports, by fully funding our market access programs. It will support free and transparent markets; continue our efforts to support and to protect our crops and our animals and plants from deadly diseases; and proposes a new program on feral swine, which is currently causing over a billion dollars in damage each and every year.

It will indeed modernize our research facilities, proposing to fully pay for a new poultry disease inspection facility in Georgia. It will simplify our conservation efforts and streamline them, but still allow us to have a record amount of conservation activity in the United States. It will support all methods of production, including organic. We will note that organic production has significantly increased over the course of the last several years. In fact, we are now looking at a \$31 billion industry and growing at a very fast pace. And we will continue our efforts to provide technology to allow us to make services more convenient to our producers.

This budget also commits us to a continued effort to rebuild the rural economy, as Congressman Farr alluded. It commits nearly a billion dollars of assistance in efforts in helping small business development and job growth in rural areas, with a particular focus on local and regional food systems, clean and renewable energy, and our new bio-based manufacturing initiative.

It commits nearly \$7 billion to improving utility services, providing cleaner water, and expanding renewable energy as well as broadband in rural areas, the basic infrastructure that will allow us to continue to succeed in rural areas. It will support the finance of nearly 1,700 community facilities, hospitals, schools, police stations, fire stations, all of which are necessary to improve the quality of life in rural areas, and it will provide homeownership opportunities for as many as 174,000 families.

Now, this is a budget that also understands and appreciates the important role that our forests and private working lands play; provides fire-suppression resources, which is not the area of this Committee's review, but still an important aspect of USDA's responsibilities. In addition to protecting families from fires, it will also continue to improve our food safety inspection system. It will support an effort to provide all Americans in need of assistance, and particularly our children, with adequate nutrition, proposing new dietary guideline research for children zero to 2 years of age, and will focus a significant effort, as I know this subcommittee is concerned, on the integrity of all of our nutrition programs, providing additional resources and direction in each and every one of our nutrition programs.

Finally, we are acutely aware of the need for us to be responsible in terms of budget and deficits, and this budget proposes \$39—roughly \$38 to \$39 billion in deficit reduction in crop insurance, conservation, water projects and the food aid program which you have alluded to.

Mr. Chairman, I look forward to responding to the questions the subcommittee has, but, again, I don't underestimate the difficult challenge this subcommittee has. We offer this budget as a path forward and look forward to your work. Thank you.

Mr. ADERHOLT. Thank you, Mr. Secretary.

[The information follows:]

**Statement by  
Thomas J. Vilsack  
Secretary of Agriculture  
Before the Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations, U.S. House of Representatives  
April 16, 2013**

Mr. Chairman and distinguished members of this Subcommittee, I appreciate the opportunity to appear before you to discuss the Administration's priorities for the Department of Agriculture (USDA) and provide you an overview of the President's 2014 Budget. I am joined today by Joseph Glauber, USDA's Chief Economist, and Michael Young, USDA's Budget Officer.

The USDA under President Obama's leadership has taken significant steps to strengthen the rural economy and provide a foundation for continued growth and prosperity. These efforts have had a significant impact in rural America, where the seasonally adjusted unemployment rate fell to 7.7 percent for the third quarter of Fiscal Year (FY) 2012 – down from a peak of 9.5 percent in late 2009. In particular, agriculture remains a bright spot in our economy. The resilience of American farmers and ranchers has helped to support 1 in 12 U.S. jobs. Net farm income remains strong, and the farm debt-to-asset ratio is at a record low today. Fueled by new trade agreements with Panama, Colombia and South Korea, American agricultural exports are surging – with more than \$478 billion in exports over the last four years. Our farmers and ranchers achieved these results even in the face of the worst drought in generations, and the uncertainty posed by the lack of a comprehensive, multi-year Food, Farm and Jobs Bill. Challenges still remain for agriculture – especially for America's livestock and dairy producers, who continue to struggle today with low margins and high input costs.

With the passage of the Consolidated and Further Continuing Appropriations Act, 2013, we appreciate that Congress provided the funding necessary to avoid a costly and disruptive nationwide shutdown of meat and poultry plants. Congress also enabled USDA to continue providing nutrition assistance, education and other services to improve the nutritional status and health of the total 8.9 million low-income women and children estimated to participate in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). However, the Act not only continued the across-the-board reduction for most programs as required by sequestration, it added on two separate across-the-board rescissions for agriculture programs. As a result of these actions, the Department's total discretionary operating budget for 2013 has been reduced by over \$570 million below the 2012 enacted level and over \$1 billion below FY 2009.

These reductions in USDA's operating budget come at a time when our staff are doing more work than ever before. Over the past decade, USDA's agencies have leveraged efficiencies to manage a workload that has increased due to a greater number and complexity of programs and higher participation levels, while staff resources to manage that increased program activity have declined by over 12 percent. For example, the Risk Management Agency (RMA), Food and Nutrition Service (FNS), Rural Development (RD), and Farm Service Agency (FSA) have all seen increases in workload, while staffing has decreased in all of these agencies during that time. The scope and complexity of USDA programs reflects the challenge we face to manage taxpayer dollars effectively and deliver record levels of service.

I am proud of USDA staff for stepping up and getting the job done. Over the past four years, USDA has achieved record results on behalf of rural Americans, creating thousands of jobs in the process. We provided a strong safety net for agricultural producers. We expanded trade agreements around the world, while breaking down unfair trade barriers to level the playing

field for U.S. producers. USDA enrolled a record number of acres in conservation programs, while modernizing the ways in which we manage forest lands. We provided record amounts of credit in rural America – from farm loans to assistance for rural businesses and families. USDA strengthened food safety testing to protect Americans from foodborne illness. We led the way to create a generational change to improve child nutrition, while helping millions of families put food on the table. USDA research continues to help feed a growing population, while generating \$20 in economic benefits for every dollar invested.

Meanwhile, USDA has made a comprehensive effort to achieve targeted, common-sense efficiencies. Under the *Blueprint for Stronger Service*, USDA agencies cut costs and modernized operations to become more efficient. In the past year, agencies have carried out workforce reductions, closed offices and laboratories, implemented modern cloud computing efforts and taken other actions to continue to lower costs. We have disposed of excess and underutilized property. Agencies reduced expenses for travel, printing, supplies, and advisory contracts. USDA has reduced travel spending by more than 42 percent over 2010 levels. In total, all of those efforts saved taxpayers more than \$700 million.

Despite our best efforts to prepare for additional funding reductions through prudent practices, such as hiring freezes and limiting operating costs, we cannot forestall the negative impact of reduced funding in every area. Our ability to provide oversight and servicing is likely to be impacted by cuts and we will work hard to minimize the impact to the extent possible on farmers, ranchers and growers while protecting the integrity of the programs.

While we have achieved significant savings, the reductions contained within the 2013 full-year continuing resolution will result in a reduction of some program services. For example,

the reduced level of program funding will mean that rental assistance will not be available for more than 15,000 very low income rural residents, generally elderly, disabled, and single female heads of households, who live in multi-family housing in rural areas. Our conservation efforts will suffer as the Natural Resources Conservation Service (NRCS) will not be able to assist over 3,500 farmers and ranchers in developing conservation plans, which position them for participating NRCS conservation programs. Further, conservation benefits will be lost with fewer conservation plans being implemented as well as fewer conservation practices being implemented with the assistance of mandatory programs affected by across-the-board sequester cuts, such as the Environmental Quality Incentives Program (EQIP). Our State partners will see a reduction in assistance for pest and disease prevention, surveillance, and response, potentially leading to more extensive outbreaks and economic losses to farmers and ranchers. Reductions to Agriculture and Food Research Initiative (AFRI) and mandatory funded research programs will result in 200 fewer grants for agricultural research conducted by both university scientists and private partners in areas such as bioenergy, organic production, specialty crops, and beginning farmer and rancher development.

As outlined above, we have taken steps to deeply reduce USDA's operating expenses over the past two years. The spending cuts enacted for 2013, however, severely limit our ability to deliver critical programs for the American people. The President's 2014 budget request would put us back on track to continue the revitalization of rural America, while achieving targeted reductions.

In total, the 2014 budget we are proposing before this Subcommittee is \$139 billion, of which \$121 billion is mandatory funding. The budget provides mandatory funds to fully support estimated participation levels for SNAP and Child Nutrition.

It is my hope that Congress will continue to support our efforts to strengthen rural America and provide more certainty for American agriculture by enacting a comprehensive, multi-year Food, Farm and Jobs Bill. The Farm Bill provides for delivery of critical programs by USDA, including programs for farm commodity and price support, conservation, research, nutrition, food safety, and agricultural trade. The next five-year farm bill should promote rural development, preserve a farm safety net, enhance conservation, honor our World Trade Organization commitments, maintain strong nutrition programs, and advance agricultural research. In light of the Nation's long-term fiscal challenge, the legislation should also contribute meaningfully to deficit reduction.

The 2014 President's Budget includes a number of legislative proposals that produce savings to reduce the deficit, while maintaining a strong safety net for American agriculture. The proposed legislation would reduce the deficit by \$38 billion over ten years compared to current baseline spending. The savings would result from eliminating direct farm payments, decreasing crop insurance subsidies, and better targeting conservation funding to high priority areas. The legislation also proposes to extend some disaster assistance programs, including the Livestock Forage Program (LFP), Livestock Indemnity Program (LIP), for the 2014 through the 2018 crops and provides additional support to dairy farmers through expansion of the dairy gross margin insurance program. The Administration remains strongly committed to programs that create jobs, expand markets for existing products, and help develop the next generation of farmers and ranchers. To accomplish those goals the budget proposes an additional \$1.3 billion in mandatory funding to strengthen renewable energy capacity in rural America, continue to create new markets and opportunity for organic agriculture, further promote specialty crops, and train the next generation of beginning farmers and ranchers.

The Administration also continues to support SNAP, a cornerstone of our Nation's food assistance safety net. As the Nation continues to recover from the worst economic crisis since the Great Depression, SNAP has provided critical temporary assistance to help families get through these tough times and back on their feet as soon as possible. While participation has increased, the rate of this increase has been declining since January 2010. Both the Administration and CBO project that SNAP participation will peak this year and then begin to fall – consistent with past economic downturns. Even as the economy recovers, SNAP will remain a critical support for children, the elderly, and minimum wage workers, who struggle to afford to put food on the table. Program benefits are modest – averaging only \$134 a month – and are scheduled to be cut this fall. A temporary increase enacted around the start of the recession will expire on November 1, leading to an average cut of approximately \$20 per family. The Budget once again proposes to extend the availability of enhanced SNAP benefits through March 31, 2014.

Although SNAP operates with a high degree of program integrity, any waste, fraud, or abuse in a program of its size is important to eliminate. As part of our aggressive actions to ensure integrity, last year USDA took action to impose sanctions on 692 stores found violating program rules and to permanently disqualify 1,387 stores for trafficking in SNAP benefits. SNAP payment accuracy rate is at a record high of 96.21 percent, and the 2014 budget includes funds to expand existing SNAP integrity efforts to further reduce payment error, trafficking and other recipient and retailer concerns. We also propose funding to enhance integrity efforts in the other major nutrition assistance programs.

For discretionary programs of interest to this Subcommittee, our budget proposes \$18 billion, approximately \$109 million below the 2013 enacted level. That level fully funds

expected WIC participation. It provides the funding needed to meet our responsibility for providing inspection services to the Nation's meat and poultry establishments. The budget also includes over \$1 billion to renew all outstanding contracts for rental assistance. It meets the growing demand for farm credit with sufficient funding to serve over 34,000 producers in 2014 seeking to finance operating expenses, to acquire a farm, or keep an existing one.

As I previously mentioned, agricultural research is a proven investment. It is important to increase our investment in research and education, which has proven to be a powerful strategy to boost farm productivity, and has contributed to creation of jobs and enhancing rural economies. As farmers and ranchers face challenges from more frequent and more intense extreme weather conditions, we are focused on providing best practices and workable strategies to adapt to the changes and mitigate the impact. The budget makes a significant investment in the AFRI and our laboratory infrastructure. The budget also requests funding to design and construct facilities to replace the severely outmoded Southeast Poultry Research Laboratory (SEPRL) in Athens, Georgia. SEPRL has facilities that were constructed in 1964 and 1976, and whose limitations now prevent critical, cutting edge research from being conducted. Construction of a new facility will enable ARS scientists to more adequately address emerging or exotic poultry diseases that threaten not only the Nation's poultry industry but also the health of Americans.

The budget places an emphasis on creating new market opportunities presented by emerging markets for biofuels and clean energy and the development of local and regional food systems. The 2014 budget also replaces a number of existing programs with a new economic development grant program designed to target small and emerging private businesses and cooperatives in rural areas with populations of 50,000 or less. The Rural Business and

Cooperative Grants Program will improve the agency's grant allocation process and will leverage resources to create greater opportunities to improve regional economies. We will work to expand our efforts to assist the Nation's farmers and ranchers in taking advantage of increased consumer demand for locally and regionally produced foods through on-farm research, support for value-added production, farm-to-school efforts, and other venues. We will continue our market development programs and expand foreign market access for U.S. agricultural exports, including USDA efforts in the Trans-Pacific Partnership and the newly announced Transatlantic Trade and Investment Partnership with the European Union. As organic food production increases and becomes a more critical part of the agriculture balance sheet, we will expand our efforts to protect the integrity of the organic label and expand organic opportunities with our trading partners.

The budget supports our continuing efforts to help all Americans, and particularly school children, make the healthy choice the easy choice. As part of our ongoing efforts to implement the Healthy, Hunger-Free Kids Act, USDA remains strongly committed to helping States and local schools as they successfully adapt to new, science-based nutrition standards in the National School Lunch and School Breakfast programs, which serve roughly 32 million American children each school day. Our focus on healthy eating also extends to the American population as a whole, where we continue to promote the Dietary Guidelines and MyPlate. Our budget includes additional funding to support the Department's work to expand the Dietary Guidelines to include the 0-2 population.

The President's budget proposal makes tough choices to meet tight discretionary caps. Our funding request reflects efforts to reduce administrative costs and streamline operations and proposes to strengthen program integrity efforts. Funding for selected programs is reduced or

terminated and resources are reallocated to targeted investments in priority programs and infrastructure to support sustainable economic growth. Further, discretionary spending is partially offset through about \$1.4 billion of proposed limits on selected mandatory programs and other adjustments.

In addition, the Budget proposes to replace \$1.5 billion in funding for P.L. 480 Title II international food assistance with an equivalent amount in the U.S. Agency for International Development assistance accounts, including International Disaster Assistance (IDA). The proposed reform replaces Title II funding with robust levels of flexible emergency food aid and related development funding that gives the United States far greater ability to provide aid when, where, and in the form that it can be most effective. Provided that all the proposed food aid reforms are enacted, at least fifty-five percent of the requested IDA emergency food aid funding will be used for the purchase and transport of U.S. agricultural commodities.

Major IT investments will increase program efficiency of our Service Center Agencies. The 2014 budget provides funding for FSA, NRCS, and RD to continue the development and operation of improved IT systems that will allow them to devote more time to working with customers and reducing paperwork.

In conclusion, our budget requests the level of funding we need to provide essential government services, to build on the progress we have made over the last four years to build a stronger America, and to support robust farm income and good jobs in rural communities. It provides the resources we need to effectively deliver the service that Americans deserve from USDA. Any further reduction in funding for administering programs would significantly impair

our ability to deliver critical services and would imperil our efforts to manage an increasingly complex workload with fewer workers.

Over the course of 2013, I look forward to working with Congressional leaders to ensure we have the resources we need to meet the demands placed upon us as well as achieve passage of a Food, Farm and Jobs Bill that will allow USDA to continue to provide a strong safety net, combat poverty and create even more good jobs in rural America.

At this time, I will be glad to answer questions you may have on our budget proposals.

## Secretary of Agriculture - Tom Vilsack

Tom Vilsack serves as the Nation's 30th Secretary of the Agriculture.

As leader of the U.S. Department of Agriculture (USDA), Vilsack is working hard to strengthen the American agricultural economy, build vibrant rural communities and secure a stronger future for the American middle class.



In three years at the Department, Vilsack has worked to implement President Obama's agenda to put Americans back to work and create an economy built to last. USDA has supported farmers, ranchers and growers who are enjoying record earnings, provided food assistance to 1 in 4 Americans, conserved our natural resources and helped provide a safe, sufficient and nutritious food supply for the American people.

Secretary Vilsack shares President Obama's commitment to a rural economy that continues to reward hard work and responsibility while growing a strong middle class. To help drive innovation and build thriving economies in rural communities, USDA is promoting job growth and higher incomes through expanded production of renewable energy, outdoor recreational opportunities and development of local and regional food supplies. USDA has made historic investments in rural housing, in rural infrastructure like fire and police stations, libraries and health clinics and in rural access to broadband.

As chair of the first-ever White House Rural Council, Secretary Vilsack and USDA are taking steps to strengthen services for rural businesses and entrepreneurs creating job opportunities – finding new ways to partner with other Federal agencies and the private sector to spur investment.

USDA, at the President's direction and with the Secretary's leadership, is promoting American agriculture by conducting cutting-edge research and improving markets at home and abroad. USDA also works to ensure an appropriate safety net for America's farmers and ranchers, enabling them to prosper even in tough times. Today, agriculture is a bright spot in the American economy, with record farm-sector earnings and record agricultural exports – worth \$137 billion in 2011 – that helped support more than 1 million American jobs. New trade agreements President Obama signed with Colombia, South Korea, and Panama will create even more export opportunities for American farmers and ranchers.

Vilsack knows that conserving natural resources is critical to the long-term strength of our economy. That is why USDA has enrolled a record number of private working lands in conservation programs and implemented new strategies – such as landscape-scale efforts – to restore our forests and clean our water supply. This work is creating private sector jobs protecting and rehabilitating our forests and wetlands, and providing increased opportunities for outdoor recreation.

Under Vilsack's leadership, USDA has partnered with First Lady Michelle Obama's Let's Move initiative to improve the health and nutrition of America's children. He helped pass the Healthy, Hunger Free Kids Act, so USDA is combating child hunger and obesity by making the most significant improvements to school lunches in 30 years. He led a comprehensive effort to improve the safety of the American food supply, implementing changes to food safety standards to prevent illnesses by reducing the prevalence of *E. coli*, salmonella and campylobacter in our meat and poultry.

Secretary Vilsack has also worked to make the Department more efficient, transparent and effective. Through his Blueprint for Stronger Service, USDA will continue to maintain top-notch service for the American people despite reductions to our budget while creating more than \$150 million in efficiencies annually.

He has made civil rights a top priority, reaching historic resolutions to all major past cases of discrimination brought against USDA by minority groups, and taking definitive action to move USDA into a new era as a model employer and premier service provider.

Prior to his appointment, Vilsack served two terms as the Governor of Iowa, in the Iowa State Senate and as the mayor of Mt. Pleasant, Iowa. A native of Pittsburgh, Pennsylvania, Vilsack was born into an orphanage and adopted in 1951. After graduating Hamilton College and Albany Law School, he moved to Mt. Pleasant – his wife Christie's hometown – where he practiced law. The Vilsacks have two adult sons, a daughter-in-law, and two grandchildren.



### **BIOGRAPHY OF JOSEPH W. GLAUBER**

Joseph Glauber currently serves as Chief Economist at the Department of Agriculture (USDA). As Chief Economist, he is responsible for the Department's agricultural forecasts and projections and for advising the Secretary of Agriculture on economic implications of alternative programs, regulations, and legislative proposals. He is responsible for the Office of the Chief Economist, the World Agricultural Outlook Board, the Office of Risk Assessment and Cost-Benefit analysis, the Global Change Program Office, the Office of Environmental Markets, and the Office of Energy Policy and New Uses. He also serves as Chairman of the Board of Directors of the Federal Crop Insurance Corporation.

From 1992 to 2007, Dr. Glauber served as Deputy Chief Economist at the USDA. In 2007 he was named the Special Doha Agricultural Envoy at the office of the U.S. Trade Representative where he served as chief agricultural negotiator in the Doha talks until January 2009. In addition to his work in the Doha negotiations, he served as economic adviser at the so-called Blair House agreements leading to the completion of the Uruguay Round negotiations. He is the author of numerous studies on crop insurance, disaster policy and U.S. farm policy. He has also served as senior staff economist for agriculture, natural resources and trade at the President's Council of Economic Advisers and as an economist at the Economic Research Service, USDA.

Dr. Glauber received his Ph.D. in agricultural economics from the University of Wisconsin in 1984 and holds an AB in anthropology from the University of Chicago. In 2012, he was elected Fellow of the Agricultural and Applied Economics Association.

Michael L. Young

Office of Budget and Program Analysis  
U. S. Department of Agriculture



Michael Young was appointed Director, Office of Budget and Program Analysis (OBPA) in October, 2010. OBPA provides centralized coordination and direction for the Department's budget, legislative and regulatory functions. It also provides analysis to support the implementation of Department policies. Mr. Young has over twenty five years' experience in OBPA, previously having served as the Associate Director of OBPA since January, 2006. In that capacity, he shared with the Director the responsibility for overall management of the Office. Earlier, he served as Chief of the Budget Control and Analysis Division of OBPA since December, 1994. In that position, Mr. Young was responsible for managing the review of USDA agency budgets during formulation and execution of the budget.

Mr. Young previously served in a number of budget and program analysis positions within OBPA, including Program Analyst for Research, Education and Extension programs and Budget Analyst for Food and Nutrition Programs. Earlier in his career, Mr. Young held budget and program analyst positions at the Department of Commerce and the Department of Veterans Affairs.

Mr. Young holds a Bachelor of Science degree (Botany, Colorado State University) and a Master of Business Administration degree (George Washington University).

## PROPOSED POULTRY SLAUGHTER RULE

Mr. ADERHOLT. And certainly, as you rightly pointed out, our thoughts and prayers go out to the victims and their families in Boston. And those are weighing on our hearts and minds this morning.

I want to start out this morning by talking a little bit about the proposed rule on poultry slaughter. It was announced January 20th, 2012, and has been over a year since they proposed a rule to modernize the way USDA conducts poultry slaughter inspection. Can you give us a little overview to the committee about the status of the rule?

Secretary VILSACK. Certainly, Mr. Chairman, and thank you for your questions.

Our poultry slaughter process has probably not been reviewed in terms of its methods for nearly 50 to 60 years. We have learned a lot from science as a result of research in terms of what causes disease, food-borne illness, and we believe it is appropriate and necessary for us to modernize our inspection process to really focus attention and time on the areas where we know pathogen risks are greatest.

We have proposed this rule. We received a number of comments, as you probably know. We are in the process of reviewing those comments. I would expect and anticipate that we will take action to essentially publish this rule very soon, and then obviously we will have an opportunity for people to weigh in.

This is obviously an issue that people have great and strong feelings about, but we estimate and believe that somewhere between 3- and 5,000 food-borne illnesses will be prevented by it this new system. We think it will help us upgrade a number of inspection jobs. It will also allow the poultry industry, I think, to continue to be profitable, and at the same time it will allow us to save some money as well. So we think it is an opportunity for to us have a good conversation about an inspection system that has not been reviewed for quite some time.

Mr. ADERHOLT. Seeing that the budget justification that FSIS is saying that in implementing the rule, that they will likely have to overcome legal challenges, negotiate with the unions, and work with industry to arrange conversion to the new system, I am most concerned about the legal challenge aspect of it and wondering if could you tell us if you believe the Department has a solid legal foundation for this proposal, and has the OGC weighed in on it?

Secretary VILSACK. Mr. Chairman, we believe we do, and the reason we do is because this is not a brand new concept, this is a concept that has been working in 20 plants as a result of litigation some time ago. From the experience in the 20 plants, we strongly believe that there will be fewer food-borne illness incidences as a result of this inspection process.

There have been concerns raised about worker safety, and we have attempted to address those concerns by suggesting that this gives us an opportunity to study that issue and to make adjustments accordingly if indeed there are additional risks. We are obviously not interested in, and I am sure this Committee is not, in increasing risk to workers.

We feel we are on solid ground. We feel that there is adequate factual and legal basis for us doing this, and it is certainly consistent with our mission and responsibility to maintain food safety for Americans.

#### INTERNATIONAL FOOD AID

Mr. ADERHOLT. Moving on to touch base a little bit about the SNAP, on a number of occasions, you have talked about the use of dollars in the SNAP program and the corresponding fiscal stimulus of the economy through a multiplier process. In other words, when U.S.-grown commodities are used in the maximum possible way in this program, we generate jobs associated with every title of occupation in rural America, and the grain producer—from the grain producer to the person loading grain on barges along the Nation's waterways.

I wanted you to explain a little bit to the subcommittee why the U.S. Department of Ag would support a major overhaul of this program, especially if fewer dollars are going back into the farm-based commodities, and the proposal could jeopardize American businesses and jobs.

Secretary VILSACK. Mr. Chairman, this is one of those issues that you are confronting where you are trying to balance a variety of needs and requirements and at the same time trying to be fiscally responsible. The reality is that the proposal, we believe, will result in 4 million additional people being helped and assisted. That will provide emergency assistance in terms of food aid more quickly than our current system. In fact, we believe it will probably cut somewhere between 11 and 14 weeks off the amount of time it takes to get food to people who are actually in need.

We do believe the way this is set up that 55 percent of the food that will be sold or utilized in this program will still come from American producers, and we will obviously evaluate the impact and effect of that. It does provide resources to make sure the maritime industry and those who work in the maritime industry are provided help and assistance, about \$25 million, that is set aside for that purpose.

So this is really about getting more assistance to more people, more quickly, with fewer dollars. And we believe it will save over the course of a 10-year period \$500 million.

Mr. ADERHOLT. My time has expired, so let me recognize Mr. Farr.

#### INTERNATIONAL FOOD AID

Mr. FARR. Thank you very much.

Mr. Secretary, I know that in the proposal there is a proposal to move the Public Law 480 program to the Department of State, to USAID, so to another Committee and another budget. And although I think from a delivery-on-the-ground perspective, it makes sense to be involved with those agencies, what I am concerned about is that it is a transfer of authority and money, but it doesn't guarantee that it is going to get there, because we know, first of all, that rarely has Congress adopted the foreign aid budget. Secondly, the budget is so full of other responsibilities—foreign aid to other countries—that we need assurances that it will get to the

people it was intended for. Our food aid program was signed into law by President Eisenhower in 1954. That was post-World War II. America had plenty of food, Europe had none. It was the idea of how do we take our excess and ship it abroad and feed people. I think it was started for all the right reasons. It has just become the most expensive food in the world in the way we buy it here, the way we handle it, and the way we deliver it.

I am not endorsing the transfer yet, until there are assurances that the program will stay intact and will not be raided by other foreign aid interests.

Secretary VILSACK. Congressman, the proposal basically suggests the resources will be divided into three specific pots of money: an international emergency assistance fund, the bulk of which would go in that fund. There would also be a development fund as well as an emergency fund. And I believe, given the way this is structured, that there will be proper oversight and accountability in terms of dollars getting to people that need it. That is why we are confident that we will help 4 million additional people, that it will save money, and that it will also save time.

As all of us know, in an emergency situation time is not just money, it's also about saving lives. And if we are taking 11 to 14 weeks to get emergency assistance to people who are in need, that raises some serious questions about whether or not we are doing the right thing with these dollars.

It is true that this program started in the 1950s, and it did start at a time when America was faced with significant surpluses, and other parts of the world had none. I think it has changed a bit. We have found a multitude of ways in which we use our food and feed products in this country, which is why we are seeing a very robust agriculture economy today, and I believe it will continue.

So I am confident that we will be able to administer this program; when I say "we," the USAID will be able to administer this program properly, and that we will get more help to more people more quickly, and we will save money.

Mr. FARR. Well, you can't control what Congress will do with the money. And I would like to see more of the details but I am still reluctant on it. And I don't think it is going to happen—it is just the politics. I don't think it will happen this year, but probably the discussion of moving that way will happen eventually. But we need to make sure that the money will get used to feed the most needy people in the world, which I think is really important for our foreign policy and for international security.

#### BLUEPRINT FOR STRONGER SERVICE

Let me ask you another question about the opportunity—what I have been discussing at the local level. It seems to me that NRCS, which takes a big whack in your budget, and many farmers aren't going to be able to get the services. I think it is an excellent program, but I think it is also a program that was started and still does education-based prior to the adoption of the organic standards and the organic rules, which are now in our tenth anniversary. I mean, that is a new farming technique, and it has been really developed through all kinds of smart, science-based sense of how do you do farming without having to use pesticides by using nature

in herself. And I don't know whether—from what I hear is a lot of those practices haven't been really integrated into NRCS. And it seems to me that there are efficiencies that you could obtain that might generate the savings that you have done in your other leveraged efficiencies by upgrading the NRCS educational program to really incorporate lessons learned in the organic thing. It is just a statement.

My real question really goes to you is that you have done these leveraged efficiencies within your Department and had tremendous savings and never got any credit for it. Have other Secretaries gone through the same thing? Are they under a mandate to do it, or is this just Secretary Vilsack's own initiative to sort of look about how we can modernize management within the USDA?

Secretary VILSACK. We started 2 years ago to do this, recognizing we were facing some difficult budget challenges, and you all were facing the same challenges. And I have shared our techniques and our process with a number of—at the direction of the President with the Cabinet, and a number of Cabinet members have actually asked our team, our Blueprint for Stronger Service Team——

Mr. FARR. That blueprint is USDA's blueprint?

Secretary VILSACK. Yes, sir.

Mr. FARR. So it is not departmentwide, it is——

Secretary VILSACK. It is not governmentwide, it is Department-wide for us.

Mr. FARR. And how much savings do you think you have been able to generate?

Secretary VILSACK. We have been able to identify over \$700 million, and that number is going to continue to climb.

Our next goal is to focus on centers of excellence and shared service centers where we basically find out who within USDA does the best back-room operations, and then basically in a sense contract with those folks to be able to save money on the back-room operations.

Mr. ADERHOLT. Mr. Fortenberry.

#### AMERICAN AGRICULTURE

Mr. FORTENBERRY. Thank you, Mr. Chairman, for holding this hearing.

Mr. Secretary, welcome. Nice to see you again.

Did you watch the Super Bowl? There is no trick here.

Secretary VILSACK. I am a Steeler fan. I did not really want to watch the Ravens win the Super Bowl.

Mr. FORTENBERRY. Well, I am not a big devotee to Super Bowl commercials. A lot of them can be on the margins, as you know. But there was one that was extraordinary, and it basically for about a minute portrayed the ideals, the values, the risks, the hard work, the noble cause, if you will, of using your own two hands and growing food. And I thought it was so powerful and impactful in helping restore, if you will, the romantic ideal of the American agriculture. I was just deeply, deeply impressed. Didn't even realize it was a truck commercial until the very end.

With that said, I think both of us have a responsibility, all of us here actually have a serious responsibility, to continue to reexplain the importance of American agriculture to our people, our Nation.

Agriculture is not only about a safe and abundant food supply, it is also about economic policy, one of the few bright spots in our economy, trade policy, energy policy, environmental policy, as well as the national security policy.

We have had dozens of Nebraska national guardsmen go to Afghanistan who have farm backgrounds to help that country transition to some sort of economic stability, put their lives on the line to help farmers over there to build up their economy as a part of our draw-down strategy.

With that said, I know you are a robust presence throughout the Nation on behalf of American agriculture. I have seen your speeches, and I really appreciate that. I just wanted to elevate the importance of all of our conversation to the broader communities out there about how much agriculture contributes to the Nation's well-being. Sometimes we get into narrower policy fights up here, but lose sight of the broader impact that our farmers and ranchers and all of our producers have for America's well-being. So thank you for your leadership in that regard.

One quick point. We are, in our region, suffering a severe drought, as you know. I was on the phone with one of my producers midwinter, and I asked him what he was doing. He said he was moving dirt. I said, how are you doing that? He said, well, there is no moisture in the soil, so you can break through it pretty easily.

So it is important, I think, that we all look at and continue to think creatively as to how we research and engage in drought-mitigation measures, and I wanted to hear how big of a priority that is for the Department. And I have a couple other questions, so I will just stop here.

Secretary VILSACK. Representative, first of all, thank you very much for your comments about the American farmer, rancher and producer, the best in the world and very underappreciated throughout the country.

We obviously take this issue of drought and, for that matter, extreme weather conditions very seriously, and it is a priority area of ours in this year and for the next 4 years as long as I am Secretary to focus on mitigation and adaptation strategies to allow our farmers to be the best in the world. Let me give you a couple of examples.

We will be announcing in the next month or two a series of initiatives focused on climate change and expanding research opportunities. We are focused very much on multicropping and cover cropping because we think that is a conservation opportunity that we have not fully appreciated and have not fully educated folks about the benefits. We are looking at additional barriers in our crop insurance program that make it harder for people to embrace cover crops and multicropping, trying to remove those barriers. We are looking at ways in which we can create market opportunities for those cover crops. And we are doing research on the impact that certain cover crops have on primary crops to make sure that we don't solve one problem just to create another.

We will continue to keep a watchful eye this year. Fortunately some of the spring rains and late winter snows have abated the drought situation in some areas of the country, but there are still a number of areas, including Nebraska, that are still quite dry. So

we will have the same set of tools that we had last year available, and we will keep a wary eye on this, and, if necessary, we will utilize additional CRP land, for example, if it becomes an issue of forage. We will continue to look at ways in which we can provide help to producers.

#### BUDGET PRIORITIES

Mr. FORTENBERRY. Thank you for saying that. I think it is terribly important, given that we spent \$15 billion on indemnity payouts on crop insurance to mitigate the affects of drought, which were important obviously. But thank you for that commitment and those statements.

In a broader sense I would like to hear from you what—we all have again a responsibility to continue to think entrepreneurially about policy. What is old that needs to be modernized or let go of; what is new that needs to be invested in? And from, again, a higher level of perspective, how would you answer that question?

Secretary VILSACK. Well, specifically in the area of rural development, we are proposing a consolidation of a number of the smaller programs into a more competitive program that will stir the imagination and creativity of folks in rural areas to think more creatively about rural development. We established the Great Regions Initiative in which we are asking people to think not just about their individual community, but how they fit within an economic region.

We are focused very much on building the bio-based economy. We think this is an underappreciated opportunity for innovation and rebuilding the middle class, as the President has directed, basically taking everything that we grow and raise and converting it into a chemical, into a plastic, into a fiber, into a fabric.

I have seen extraordinary things recently. I have seen plant material that is being used to produce something that is akin to fiberglass that will be stronger, but lighter, that someday will be used in auto bodies to allow us to have more fuel-efficient cars. I have seen wood that is being converted with nanotechnology into armor that is lighter than the current Kevlar. We have seen corn cobs producing plastic bottles for Coca-Cola's water project, and we have seen at Ohio State literally hog manure being used to create asphalt.

I mean, there are just unlimited opportunities here, and investing in those opportunities and helping to focus people's rural-development efforts is one of the strategies. I could talk about this for a long, long time, but the chairman is going to do what he just did.

Mr. FORTENBERRY. Thank you.

Mr. ADERHOLT. Ms. Pingree.

#### GIPSA RULE

Ms. PINGREE. Thank you very much, Mr. Chair.

And thank you very much, Mr. Secretary. It is a pleasure to have you here today. I am indeed fortunate to be the newest member on this side of the committee, and I enjoyed working with you on the Agriculture Committee, and I am glad I get to continue to work with you over here. Thank you for your good work.

And I appreciated your opening comments. Being from Maine, we think of Boston as, you know, one of our hometowns and have a lot of our own residents and citizens down there. And my kids have run that marathon twice, so I feel very deeply for the families and their victims, and I am glad you are keeping that in our minds today.

I unfortunately will have to also run off to another committee, and I have 25 questions I would like to talk to you about this morning, but I am sure I will get in what I can today and then hopefully have a chance to submit some or continue the dialogue.

But one thing I wanted to bring up this morning is the GIPSA rule. In recent years your agency has taken a lead in highlighting some of the anticompetitive and deceptive practices that have become commonplace in the livestock and poultry sectors. Consolidation in these markets, as well as vertical integration and spread of the one-sided sort of take-it-or-leave-it production contracts has caused a lot of concern about the impacts on farmers and their communities.

In spite of the very clear directions from Congress in the 2008 farm bill requiring USDA to address some of the most abusive practices in these sectors, the last two agriculture appropriations bills included policy riders. As you know, they hamper your ability to write regulations to address those concerns.

In the GIPSA rider included in the 2012 agriculture approps bill, Congress put a stop to some of the regulations that USDA had proposed, but gave a green light for you to finalize other regulations, which was helpful, particularly those addressing abuses in the poultry sector. Even as modest as those were, Congress again reversed course in the 2013 continuing resolution which we just passed and included another rider that actually forces you to rescind some of the grower protections that we had green-lighted in the 2012 bill. This rider in the CR was strongly opposed by farmers groups across the board, from the American Farm Bureau Federation to the National Farmers Union.

I personally, as you can tell, don't believe these riders were a good idea, I think they should be corrected, and I would just like to hear you talk a little about why those poultry-grower protections are so important and these riders aren't helpful to our farmers.

Secretary VILSACK. Well, Representative, I had the opportunity to speak to a number of producers who had been dealing with Pilgrim's Pride in the Carolinas, and who, as a result of the bankruptcy of that particular company, suffered significant harm. They expressed concerns about the way in which they were treated, the lack of notice, the lack of ability to adjust their operations.

In the poultry areas in particular for growers, they are required to invest a substantial amount of money to build these poultry facilities only to find the contracts on which those poultry facilities are based pulled out from under them with very little or short notice. And that is the reason why we put these rules in place, to give those farmers an opportunity to have a more level playing field in negotiation. We also felt that they were being taken advantage of as a result of arbitration, they had very little say in the arbitration process, and the result was we put together a series of rules designed to level the playing field.

You know, the reality is that this is a very difficult and challenging market for small producers. It is one of the reasons why we are focused on creating, as you well know, and as you are a great champion for, local and regional food systems as we create additional market opportunities for the smaller producers. But without some protection, they are really at the mercy of companies, and it makes it very, very difficult for producers to be able to go into the bank to secure the financing to allow them to continue their operation and to expand it.

#### KNOW YOUR FARMER, KNOW YOUR FOOD

Ms. PINGREE. Well, thank you for that. I appreciate your continuing support for the farmers in this situation.

Let me see if I can sneak in one more question while I have a chance. So I, like many of my colleagues, was sad to see that Kathleen Merrigan was going to be leaving the Department, and I really just want you to know how much I appreciated the work that she did on public advocacy around local food, and organic agriculture and many of the issues which, as you know, have been my top priority around agriculture.

And I just want to get you to speak briefly about, given that she will be gone, the commitment that your Department will have to things like the local food systems; the fact that you mentioned earlier, the growing market in organic foods, local foods, and farmers markets. I think that the local food initiative that you have done and the Web site and all those things have been really beneficial to many of the small farmers in my area finding huge new markets that they can connect with the consumers. So I don't have a lot of time, but just love to hear how you see that continuing. I am sure you will be appointing great people, but seems like an important consideration.

Secretary VILSACK. Let me assure you that it is a priority of mine. The local and regional food system is an important component of rebuilding the rural economy, and it will continue. The Deputy did an amazing job of putting together a committee of our Know Your Farmer Know Your Food effort to basically allow all aspects of USDA to be engaged in this effort. That will continue and strengthen, and we hope to institutionalize that process throughout the next 4 years.

You are correct. There has been a 175 percent increase in farmers markets. There has been an extraordinary increase in investment in food hubs, which allows us to aggregate that locally produced food, and we are creating additional markets, and it is providing an entrepreneurial opportunity that we want to encourage. It is, I think, hopefully bringing younger people into the farming sector, and it is also providing an opportunity for returning veterans who are interested in farming, but who may not have a family member who owns a farm to get started.

So this is extraordinarily important, and rest assured, notwithstanding Dr. Merrigan's leaving the Department, we will continue to follow through with her vision and your vision and my vision of this local and regional food system.

Ms. PINGREE. Thank you very much.

Mr. ADERHOLT. Mr. Yoder.

## AMERICAN AGRICULTURE

Mr. YODER. Thank you very much, Mr. Chairman.

Mr. Secretary, thanks for joining us today. I appreciate the opportunity to have a dialogue with you about the future of agriculture in our country, about your budget, and how we can work together to continue to provide a strong rural way of life in this country.

I am concerned about the economic future of agriculture, as many of my colleagues are. I think Mr. Fortenberry and you had a nice dialogue about the value of promoting the family farm and how it is really central to our values in this country to have a strong agricultural production and small family farms. It is a structural strength, I guess, that makes some of our values in this country work.

And so I grew up on a farm. I grew up in a time in the 1980s, was very worried about our farm going bankrupt. A lot of our neighbors went under, and it was a scary time in a lot of regards. My father came up in 2011 to see me sworn into Congress. It was the first time he had been in Washington, D.C., since 1978, when he drove his tractor and parked on the Mall and caused all sorts of havoc, along with a lot of other farmers, because, you know, farmers get very passionate about what they are doing, and so, you know, there is a strong history there.

In sort of reviewing your budget, and looking at the future of an ag bill in this Congress, and figuring out where we are going to place our priorities, some of the savings are coming from reducing aid to farmers, support in different programs. And I would like to hear your thoughts about the long-term perspective, the types of policies we could support to ensure that we have investment. We have young people getting engaged in farming, that they feel like there is an economic viability there.

We have a tendency to operate in the here and now when it comes to agriculture, so things are pretty good in the world of agriculture right now. So we are in the process of saying, let us cut A, let us cut direct payments, let us cut crop insurance, let us whatever folks are suggesting in this Capitol, because it is pretty strong right now in the world of agriculture. Some concerns are maybe an ag bubble out there.

And so I would like your thoughts on how we work together to pursue policies that can ensure that we can have a strong push towards agriculture policy in this country, that we can ensure investment, and we can ensure young people continue to be engaged, and not just deal in maybe the moment in terms of ag policy, but think long term, and think where we have been all the way dating back to 1978 and beyond into the future.

Secretary VILSACK. You know, Congressman, that is an excellent observation and an excellent question. We do have a tendency here to think in 1- or 5-year increments, and the reality is I think we have to have a longer-term vision in agriculture.

I would say a couple of things, one of which is not necessarily a focus of this budget, but I think is extraordinarily important in a topic of conversation today, and that is immigration reform. If we really, truly want to support agriculture, then we have to make

sure there is an adequate amount of workforce there available to pick what needs to be harvested and to work on the farms and the very operations that need workers.

Secondly, I think we have to be very concerned about the impact of extreme weather conditions on the ability to grow and raise what we have become comfortable growing and raising in certain parts of the country. That is why I think it is important for us to invest and significantly increase our investment in agricultural research. The reality is that ag research has been flat-lined for far too long when we have invested in a lot of other research areas significantly and aggressively. I think we need to play some catch-up there.

I think we do continue to need to have a strong safety net. Having said that, I don't think it necessarily means that you can't change aspects of the safety net. And I think we have to be very concerned about credit. You know, we are going to help 34,000 farmers access credit, but that doesn't mean that there isn't a backlog of unmet and unfilled credit needs out there. And so we need to work with our commercial lending institutions to make sure that they feel comfortable with providing credit to farmers.

And then finally a big issue that I think we all have to address is this issue of who is going to farm. The reality today is that the average age of a farmer, I think, when the census is completed is probably going to be close to 60 years of age. And we have significantly more people farming who are over the age of 65 and 75 than we do under the age of 35. We have got a million or so returning veterans. I think this is an enormous opportunity for us to link a need for beginning farmers with—as Representative Fortenberry suggested, a lot of these kids who were serving in the military came from those small towns; 40 percent of the military is from rural America. So it is an opportunity for us to reconnect those young people.

#### IRRIGATION CROP INSURANCE PILOT PROGRAM

Mr. YODER. We covered a lot of ground. A specific one regarding the conversation with Mr. Fortenberry regarding a drought, and particularly into irrigation. I want to ask about the irrigation crop insurance program, and whether that is something that the Department of AG, RMA would have an answer on whether that can be a policy that we can move forward on the idea of a program where we would have farmers plant lower population, less irrigation, expect a lower yield, whether that would be supported by the USDA?

Secretary VILSACK. Well, we have a pilot program, as you know, operating in that area, and I think the reason you have a pilot is to basically study the mechanics and the economics of this.

RMA is always looking for ways in which we can provide help and assistance. We have expanded the number of crop insurance programs in the last 10, 15 years from 98 to 132. The number of acres has increased by 100 million. So we are always looking for ways in which we can expand significantly this risk management tool. I think you are going to continue to see that aggressive effort.

Mr. YODER. Thank you.

Mr. ADERHOLT. Mr. Bishop.

## SOUTHEAST POULTRY RESEARCH LABORATORY

Mr. BISHOP. Thank you very much, and welcome again, Mr. Secretary. And I appreciate your remarks. I think you expressed the sentiments of all of us with regard to the casualties and the situation in Boston.

Mr. Secretary, I would like to take a point of personal privilege and commend you and the Department on your decision to invest \$155 million in the new Agriculture Research Service poultry laboratory in Athens, Georgia, which I understand is the Department's number one priority for the agency this year. As you know, the State of Georgia is the number 1 producer of poultry products in the Nation; \$18.4 billion to the State's economy generating 100,000 jobs, 54 of the States's agricultural economy, and we have 105 counties out of our 159 counties that are producing over \$1 million at the farm level. So as a cochairman, along with Representative Crawford of Arkansas, of the Congressional Chicken Caucus, I just want to applaud the Department's decision in that regard.

## PEANUT RESEARCH

With that said, I would be remiss if I didn't also point out my disappointment with the ARS proposals to reduce funding for two existing projects at the National Peanut Laboratory in Dawson, Georgia, and to reprogram the funds through other peanut laboratory activities, specifically the \$899,000 reduction in the research efforts that is aimed at sustaining peanut cropping system competitiveness, and the \$730,000 reduction in the research project aimed at developing irrigated and nonirrigated peanut-management technologies.

The work that the National Peanut Lab has done over the last decade has just been tremendous in helping the peanut industry remain competitive in the global marketplace by helping to decrease the irrigation costs, more efficiency in irrigation, the metrics of metering to monitor the amount of water that is actually used, and it has really contributed immensely to the bottom line for peanut farmers. So I am very, very disappointed with that, particularly when some of our farmers, particularly the new and small farmers that are trying to expand, many of whom have been dry land farmers and are trying to now become irrigated—the techniques that are developed in irrigation through this research at the National Peanut Lab really make it much more affordable for new small and disadvantaged farmers to convert from dry land to irrigated. And so I just wanted to express that and ask you to give some thoughts on that.

Secretary VILSACK. Congressman, thank you for your comments about the poultry facility. Not only is Georgia a major producer of poultry, but the reality is the United States of America is the number one poultry producer, and the fact is that we have got antiquated facilities that will probably not set and cannot meet the challenges that that industry has from a disease standpoint. So we hope that the Congress will take into consideration our request and to note that we are not asking for a small amount of money to get

something started, that we have actually figured out how to actually pay for it in 1 year.

As it relates to the concerns that you expressed about the peanut research, we have done a rather extensive effort at reviewing all of our research facilities and all the research that is going on in the research facilities, knowing full well that over time we are going to be faced with tight budgets. And we have come up with a capital improvement plan basically that is attempting to marry the best-suited facilities in terms of capacity with the most important research, and basically make sure that we are doing this in the most efficient way. And the facilities that may be not as well equipped to do research or research that is not as high priority, we obviously have to, with limited resources, make choices. These are not easy choices, and this particular case, I suspect it is probably about the age of the facility and the ability of the facility to actually do the research. It is important. I suspect it is not because we want to discontinue the research. But I will certainly double-check that and make sure that we get you accurate information as it relates to those particular labs.

[The information follows:]

#### NATIONAL PEANUT LABORATORY IN DAWSON, GEORGIA

The fiscal year 2014 budget request has proposed no change in the overall funding level for the Peanut Research Laboratory at Dawson, Georgia. The Agricultural Research Service (ARS) proposes to redirect to focus of some research within the Peanut Research Laboratory at Dawson, Georgia to supplement higher priority peanut research needs. A portion of the funding will be redirected for work on research related to peanut cropping systems. This research will look for ways to sustain peanut agricultural production capacity over long periods. The remaining funding will be redirected to focus on peanut water management research.

#### PECAN PRODUCTION ESTIMATES

Mr. BISHOP. Thank you, Mr. Secretary.

Very quickly let me point out also on another issue that one of the casualties of sequestration was the National Agricultural Statistical Service's plan to suspend pecan production estimates and the forecast, which is effective immediately. The entire industry relies very heavily on these reports as well as a monthly cold storage report, which we understand will continue.

Unlike other U.S. tree nut crops, pecans are growing across a wide swath of 15 States, and, as such, the industry is segmented and has not been successful in establishing a marketing order. Therefore, the pecan industry has very limited means to determine the size of the crop in any given year.

The numbers that NASS provides are critical to the pecan industry's ability to operate in what is a very volatile marketplace. Can you ask your staff or can you review other options whereby the reports might be reinstated, because they are so critical to the pecan industry in the United States.

Secretary VILSACK. Congressman, we respect the request, but I would point out that in addition to sequester, Congress also added an additional 2.7 percent cut to this budget, so we had to face a 7.5 percent cut to the budget. We had 6 months, in essence, to essentially absorb that cut. That is, in essence, a 15 percent cut of the remaining resources that we have available.

We are not going to be able to do this without making some very difficult decisions. We try to make decisions based on the most important data to the market out there. We will be happy to review that, but I don't want to hold out undue hope that there are many options, because there aren't.

Mr. ADERHOLT. Mr. Rooney.

Mr. BISHOP. I thank you, Mr. Secretary.

Mr. ADERHOLT. Mr. Rooney.

#### CITRUS GREENING

Mr. ROONEY. Thank you, Mr. Chairman.

And, Mr. Secretary, I appreciate your allegiance to the black and gold. I guess the one good thing about the Ravens winning is that the 49ers didn't get their sixth Super Bowl, so we are still number one.

My district in South Central Florida is one of the largest citrus-producing districts in the country. From Orlando to the Keys and Vero Beach to Tampa, we have seen an explosion in citrus greening to the tune of over 6,000 jobs and \$3 billion in revenue lost.

The good news is that the growers I talk to when I am in the district believe that because of USDA efforts and the research that we have been able to do, they do see a light at the end of the tunnel. They do believe that we can defeat citrus greening, but it is going to take a commitment, it is going to take a lot of work that I know that you are committed to.

Besides tourism, agriculture is the number two industry in Florida. Could you elaborate on the changes the President's budget makes to the pest management and crop protection activities when it comes to citrus? Specifically, how will these changes impact invasive pest and disease research as it relates to the citrus industry?

Secretary VILSACK. Well, Congressman, we certainly appreciate the challenge that the industry faces with citrus greening. It is a devastating disease, and it is economically devastating. That is one of the reasons why we created a special program in Florida with an appropriation of roughly \$9 million dedicated simply and completely to citrus greening.

The good news is that we think we have found a way in which we can deal with the vector of this disease. It doesn't cure the disease, but it potentially can significantly reduce the spreading of it. We are going to continue this research, we understand it is important, and we understand the significance of it.

There are areas throughout our budget where we essentially, you know, prioritize what you can fund, and when you basically run out of money, there are things below the line that you cannot fund. Citrus greening is not one of those things, that is a priority for us, but there are other areas that will be impacted. There may be circumstances where eradication was the strategy, and eradication may not actually work, and so we may have to go to a mitigation strategy, which is less expensive. There may be circumstances where conceivably and potentially cooperators at the State and local level may be asked to assume a bit more responsibility because of the difficulties of our budget. But in this particular area we are still focused and will continue to be focused.

Mr. ROONEY. Thank you. Thank you, Mr. Secretary.  
I yield back, Mr. Chairman.  
Mr. ADERHOLT. Mr. Valadao.

#### BIOTECHNOLOGY

Mr. VALADAO. Thank you, Mr. Chairman.  
Thank you, Mr. Secretary.

Biotechnology provides farmers with new tools to manage weeds, insects and especially drought. As the need for herbicides with multiple modes of action to combat the issue of wheat resistance grows, what is the USDA doing to accelerate the approval of biotechnology traits that not only enable solutions to this issue, but also preserve the ability to utilize soil-conserving practices like conservation tillage?

Secretary VILSACK. As part of our Blueprint for Stronger Service, we initially instructed all of our agencies to engage in process improvement, to embrace Six Sigma, to establish folks within each agency and Department that were well versed in Six Sigma practices. One of the first projects that we embraced with this new effort was in the area of biotechnology regulatory approvals. When we began the process, I think it took over 900 days to secure approvals. Today we have substantially reduced that. I think the goal is to get it below a year. So you can see that we are significantly reducing the amount of time.

The second thing we have done is to understand that it is not just enough for us to approve and accelerate our regulatory approval process, we also have to get our friends and neighbors in the international community to do the same. So we are working with China on a pilot project to basically dovetail our regulatory processes with theirs and synchronize them so that we can shorten the time to get new technologies in the international area, specifically in China, a year or two sooner than otherwise.

Mr. VALADAO. I don't know if I have enough time. I don't see where the clock is at.

Mr. ADERHOLT. Go ahead.

#### NATIONAL ANIMAL HEALTH LABORATORY NETWORK

Mr. VALADAO. I have got enough time for another question?

Regarding the NIFA budget and the NAHLN budget, which includes a number of State laboratories, the herd veterinarian I happen to use personally in California uses the Taleo laboratory near my district to help diagnose problems in my own dairy herd. The UC Davis Animal Health and Food Safety Laboratory performed the initial identification of the 2012 case of BSE in the cow in California that was then confirmed by the national laboratory in Ames, Iowa.

The partnership and expertise of USDA and the State laboratory network in this instance illustrated the importance of this coordinated system in disease surveillance and in getting accurate, timely information to the public. I am concerned that without a long-term funding plan for the overall network and how it supports the State laboratories, we will see a decline in the important infrastructure necessary for the timely identification of animal diseases and food safety risks.

Mr. VALADAO. What is the role of the State laboratories in connection with the National Animal Health Laboratory Network, and do you know how many states participate in the network?

Secretary VILSACK. Congressman, I do not know the number, specific number. We will be happy to get that to you. Obviously, this issue of disease detection and determination is something that does require cooperative efforts. It is one of the reasons why we want to strengthen our overall lab system. It is one of the reasons why we are proposing a new lab on the poultry side, and it is one of the reasons why we engage in this rather extensive review of our capital resources.

We are obviously going to continue to work with States, and in fact our relationship will likely get stronger. Because of the fiscal challenges we face, we will have to have a stronger partnership with States because they may be asked at some point in time to assume—to do a little bit more than they have in the past.

So we will continue cooperative arrangements, we will continue partnerships, and we are going to look for opportunities to leverage our resources. Throughout this budget there are a number of examples where we are going to try to figure out new strategies to stretch our dollars and to leverage our dollars because we understand the work is not being reduced, it is expanding.

[The information follows:]

#### NATIONAL ANIMAL HEALTH LABORATORY NETWORK

The National Animal Health Laboratory Network (NAHLN) is a national network of non-Federal public animal diagnostic laboratories under the leadership of two USDA agencies—the National Institute of Food and Agriculture and the Animal and Plant Health Inspection Service—and the American Association of Veterinary Laboratory Diagnosticians. The NAHLN consists of 54 State and university laboratories, located across 39 States as well as two laboratories from the National Veterinary Services Laboratories.

NAHLN is part of a national strategy to coordinate the Nation's Federal, State and university laboratory resources. These laboratories provide accessible, timely, accurate, and consistent animal disease laboratory services nationwide; provide laboratory data to meet epidemiological and disease reporting needs; respond to foreign animal disease outbreaks and other adverse animal health events of significant consequence; and focus on diseases of livestock.

Animal disease-detection criteria have been developed for the following high-consequence diseases: Foot-and-Mouth Disease, Exotic Newcastle Disease, Classical Swine Fever (or hog cholera), High Pathogen Avian Influenza, Low Pathogen Avian Influenza, Bovine Spongiform Encephalopathy, Scrapie, Chronic Wasting Disease, Rift Valley Fever, African Swine Fever, Swine Influenza Virus and Swine Pseudorabies Virus. Swine Pseudorabies Virus was added in Fiscal Year 2012.

Mr. VALADAO. Thank you.

Mr. ADERHOLT. Ms. DeLauro.

#### TRANS-PACIFIC PARTNERSHIP AGREEMENT

Ms. DELAURO. Thank you, Mr. Chairman. My apologies for dashing around. We have the Secretary of Labor next door, so we are going back and forth. But welcome.

Secretary, before I begin questions, let me just say thank you for the work that you did in extending the claims period for women and Hispanic farmers and for the recent trip you made up to Connecticut. And I was also very pleased that the administration requested an extension of the temporary increase in the SNAP program that I and others worked so hard for in the Recovery Act.

I understand that I missed an earlier exchange on the Department's poultry inspection proposal, and curious at the fact that 2 of the 20, 10 percent of the plants in the pilot failed the latest round of salmonella testing, and that was overlooked.

But my question. The resolution of trade disputes is critical to industry, but the integrity of those standards is imperative to consumers. There are reports that the administration is considering a TPP, a Trans-Pacific Partnership Agreement, a provision that would require a, quote, binding dispute resolution for SPS standards. This presents a real threat to the substance of our food safety standards, ranging from the inspection process to specific microbacterial standards, like our zero tolerance for some of the most dangerous pathogens, plus it will result in a significant resource strain as agency staff are diverted away from primary public health mission of preventing food-borne illness.

My question is, why is the administration considering such binding resolutions rather than nonbinding technical consultations? The consultations could be helpful in the timely review of the science without resulting in a binding decision that in my view puts our food safety at risk.

Secretary VILSACK. Well, Congresswoman, I think the reason is because we confront significantly greater numbers of circumstances where countries establish nonscientific, nonrules-based criteria and barriers to our products and make it harder for us to get products that are healthy, to get products that are sound, to get products that are not posing a risk into countries. And you have to have a process by which those decisions can be determined more quickly than the current system.

I will give you an example. Russia currently today is essentially preventing any import of American meat products because we use Ractopamine. The international community has sanctioned Ractopamine. There is no scientific basis for concluding that it creates risk or hazard, but yet Russia is basically establishing a no-Ractopamine, zero-tolerance policy, which is not based on the science. It takes a long time through the current process to get a determination or some kind of decision that will break down those barriers.

This is not designed to create a circumstance where we are going to let unsafe food in this country. That is not going to happen. That is certainly not going to happen while I am the Secretary. That is not the intent. The intent is to create a process by which we can have some decisions made quickly when other countries create non-scientific, nonrules-based decisions that block our products.

Ms. DELAURO. I understand that, Mr. Secretary, and I have full faith and confidence in you, and I know your views, but quite frankly, in the interest of shortchanging a science process to move in the direction of a binding resolution, which then, you know, what happens with regard to food safety and with public health? I mean, that is always, as you know, we have had this conversation before, that in the interest of trade there is a wink and a nod—not a wink and a nod, that is unfair—but there is this sense that that takes precedence over the opportunity to work to speed up a process on science—and sometimes it is not quickly done—that would ensure public health and food safety.

And I do not believe that those trade implications ought to take precedence over the safety of the food and the public health here. And I do not understand why we are moving in this direction. And my concern overall about this trade agreement is what direction we are going with regard to food safety. And I think we have to be very, very careful of what the decisions are before we do that, and I do not know how the consumers' best interests are being represented in these negotiations.

#### CROP INSURANCE REFORM

If I have time for another question, I would like to just ask that I was pleased that the administration's budget request included reforms in the crop insurance program. Let me just ask you, do you expect these reforms to reduce producer enrollment in the program or companies that offer crop insurance policies?

Secretary VILSACK. No, we do not. The evaluation that we have done is that essentially the insurance—part of the reforms we proposed is basically reducing the return on investment to insurance companies consistent with a study that shows a 12 percent return will be sufficient to adequately support the program. Right now the return on investment is roughly 14 percent. In terms of the producers, we are talking about a situation where currently the government is subsidizing more than 50 percent of the premium.

Ms. DELAURO. It is over 60 percent, as I understand it, Mr. Secretary.

Secretary VILSACK. But there were several aspects of this. More than 50 percent covers them all, and we do not think that that is necessarily going to reduce the amount of people who buy crop insurance or the number of companies that sell it.

Ms. DELAURO. Okay.

Mr. ADERHOLT. Thank you.

Recognize the gentleman from Mississippi, Mr. Nunnelee.

#### SCHOOL LUNCH STANDARDS

Mr. NUNNELEE. Thank you, Mr. Chairman.

I was encouraged when I heard reports last week that USDA in Nashville indicated that we plan to get away from the maximum amounts on school lunches for meats, grains, poultry. And I was just wondering if you can give me a timetable on when USDA is going to be moving on that.

Secretary VILSACK. That is already the case. We basically provided flexibility within the guidelines for schools to essentially create, in response to the concerns that were expressed, greater flexibility. It was an effort this year which we likely will make permanent for upcoming years.

Mr. NUNNELEE. All right. So my schools are no longer limited. If they want to serve a baked chicken breast on Monday morning, that does not restrict their ability to serve nutritious proteins the rest of the week?

Secretary VILSACK. No. It is an effort to try to give them flexibility within the overall guidelines in terms of calories and the efforts that we are undertaking to improve the quality of the meals in terms of lower fat content, lower sodium, and lower sugar. But they still have flexibility within those guidelines.

## SNAP PARTICIPATION LEVELS

Mr. NUNNELEE. Okay. Thank you on that.

A couple of weeks ago we had Administrator Rowe in front of this committee, and I expressed my concern about the growth in the Food Stamp Program. It has almost doubled in the last 5 years. Projections are it looks like it is going to double in the next 5. It is growing at a rate we cannot continue to afford. And I was shocked at her response when I asked her what can we do to turn that growth around, and she said, her response was there is nothing. It is going to grow as it grows. She said as the unemployment number goes up, the costs are going to go up.

Well, we have had declining unemployment numbers. The economy is showing signs of recovery. Yet number of people on food stamps has grown over the last several years. So I will ask you the question, what can we do?

Secretary VILSACK. Well, the projection in this budget is that those numbers will start to go down as a result of the improving economy, but let me specifically answer your question. I think there is an enormous opportunity here for us that we have not taken full advantage of. We know who folks are who are receiving SNAP, and we know those who are working and those who are capable of working, and I think what we ought to be doing is a better job of using our employment and training dollars to create better opportunities for those on SNAP to move out of qualifying for the program or to move out of needing as much of the program as they currently need by having better employment opportunities.

I think that there are a number of States that do a pretty good job of this, but there are a number of States that do not, and I think if we focused and targeted our efforts, as we are proposing to do in five States to learn best practices, if we basically study, as we are going to study this fall, the characteristics of these folks so that we know how to move them more effectively from needing SNAP to a life of work and self-sufficiency, I think we could reduce these numbers in a significant way and therefore reduce the cost of the program.

The concern that I have with some other proposals is that you are going to cast a wide net, you are going to get some people that may not qualify for the program, but you are going to get a whole lot of people that actually do qualify for the program, and that is not really fair to them. But focusing on employment and training and doing a better job I think is the most effective way to really reduce the number.

## SNAP CATEGORICAL ELIGIBILITY

Mr. NUNNELEE. What about the issue of categorical eligibility, where I get phone calls when we have lottery winners that are on food stamps? As we deal with the farm bill, can we deal with that?

Secretary VILSACK. After the Michigan situation, we now have a rule that basically says that lottery winners cannot qualify for SNAP.

As it relates to categorical eligibility, you know, I think you have to be careful because it is an efficiency for States that are administering these programs. States are dealing with tight budgets. And

you get rid of that, you are going to create some administrative costs associated with it.

Our data suggests that there are not as many people who are getting into the system as a result of categorical eligibility that would not otherwise already be in the system or qualify. So we are not sure that you are going to trade one efficiency for more inefficiency, and again, you are going to get people that may qualify for the program that are not going to get into the program.

#### INTERNATIONAL FOOD AID

Mr. NUNNELEE. Thank you, Mr. Chairman.

Mr. ADERHOLT. Mr. Secretary, I want to go back to the Food for Peace Program that we had talked a little bit earlier. I think there is some confusion as to what the minimal requirement is for the purchase of U.S. Commodities. Your testimony, as you mentioned earlier and was highlighted, states that 55 percent of the funds will be used for the purchase and transport. USAID is saying that 55 percent is for purchase, transport, and related cost. How much does USDA believe will be the minimum percentage for just commodities?

Secretary VILSACK. Well, Mr. Chairman, you know, I think it is hard to distinguish that, but my understanding of what we were trying to do was to reassure producers that this was not going to be a wholesale withdrawal from the market as a result of the transfer of this responsibility. I do not know that we have a specific figure, but the goal here is to ensure that 55 percent is helping to support American agriculture, and that is my understanding of what we are doing.

#### SCHOOL LUNCH STANDARDS

Mr. ADERHOLT. I want to dig a little deeper in the issue that Mr. Nunnelee had mentioned about the National School Lunch Program and Breakfast Program. The school food service directors from across the country have met with many of us and talked with many in Congress concerning the issues and concerns they are dealing with on a daily basis to implement the regulations from the Healthy, Hunger-Free Kids Act. It actually seems that a perfect storm has been put into motion for schools with the implementation of the final rule for the nutrition standards in the National School Lunch and School Breakfast Programs.

As you know, the rule establishes new requirements for schools to increase the availability of fruits, vegetables, and whole grains while meeting the nutritional needs of schoolchildren within their calorie requirement. According to USDA's own numbers, the average daily participation in the lunch program is down from the same time last year, particularly in the paid meal categories. Reduced participation, when combined with rising input cost and increased cost to implement the changes in the new regulation, has many schools operating in the red.

Again, it seems to be a perfect storm has been put into motion for the schools with the implementation of this final rule. This rule establishes new requirements for schools to increase the availability of fruits, vegetables, and whole grains while meeting nutritional needs of the schoolchildren with their calorie requirement.

The final rule established weekly maximum amounts for serving grains and proteins, which proved far more difficult for schools to meet.

In response to the feedback from schools, as you mentioned, the Department expanded flexibility in meeting the weekly maximums for grains and proteins for the current school year, as well as the 2013–2014 school year.

My question would be is, how are some other ways can we work with you in providing school flexibility in implementing these new standards?

Secretary VILSACK. Well, I think it is important to point out, if it is an economic issue, that schools, if they comply with these regulations, are entitled to additional reimbursement of 6 cents a meal, and perhaps some schools are not taking full advantage of that reimbursement. That would be one suggestion of making sure that people understand that there is an additional reimbursement there for complying.

Secondly, you know, I think we have—we, USDA, have to do a better job of educating people about the cost of all of this because there are ways in which fruits and vegetables can be purchased less expensively. And I think, you know, sometimes we have a tendency to think that fruits and vegetables are more expensive because of the way in which we calculate value. Traditionally, we have done it based on a hundred calorie serving. A hundred calories of potato chips, a hundred calories of broccoli, you know, a hundred calories of broccoli would fill this table, a hundred calories of potato chips is like maybe a handful.

That is probably not the right way to do this. The right way to do it is, what is a portion size of broccoli versus a portion size of potato chips? And if you actually do that, you are going to find that fruits and vegetables are not as expensive as you think.

So I think part of it is education, part of it is creating flexibility, part of it is getting feedback from folks, and part of it is understanding what is at stake here, that a third of our kids are obese or at risk of being obese. We have got fewer and fewer kids that qualify for military service and that is why admirals and generals are concerned about this particular program and making sure that it stays firm. There are healthcare costs associated with it there are educational achievement results associated with it. So I think we have to be patient with this and listen and try to be flexible, which is what we have done this year.

The other thing I would say, and the last thing I would say, Mr. Chairman, is that this issue of calories is a little bit—it is interesting because the calorie difference between last year and this year is not all that great, so it is not as if, you know, several hundred calories fewer in the meals today than last year. I think the difference is somewhere in the neighborhood of 25 to 30 calories, and I am not sure that 25 to 30 calories is, you know, at the end of the day, is as significant as some people would suggest.

Mr. ADERHOLT. Mr. Farr.

#### ARS RESEARCH FACILITIES

Mr. FARR. Thank you, Mr. Chairman.

I want to drill down on ARS and the facilities. I really appreciate your comments about needing to invest in research. I think Mr. Valadao from California, first time we have had another member from California, and I realize that what made our State take the lead in high tech and everything was the investment that we had in our universities in research. A lot of that Federal investment but also State and private investment. And it seems to me that we need to do a better job of also making sure that the facilities, in response to Mr. Bishop's question, was that you move the science to the better facility.

We ought to also have facilities where the work is being done. And as you know, in California, we grow more crops than in any other State, it is the number one agriculture economy in the United States. There are 17 crops that are only grown in California. You visited my area. My one county of Monterey does \$4 billion in sales and a multiplier of \$8.2 billion, employs 75,000 people in this county, collects \$102 million in taxes from the activity of agriculture, and yet we have a research station that is World War II Quonset huts. And we have been able to get the idea of co-participation, which you talked about, co-investment, getting States to take some of the responsibility. We have got the University of California, we have got the community college, we have certainly the private sector on board. We have got to upgrade that facility, and we are not going to get there from here if we just do one at a time.

You have put, for the first time, reestablished some money in the capital outlay account, which is going to go to the poultry facility, but I am wondering how aggressively you are going to also seek for the rest of the list, which you went out and prioritized what facilities in the country need to be upgraded. And I am hoping that in that you will also weigh in, which I think you do very well, is let's bring the science to the field rather than making the field, you know, come all the way back to Beltsville, Maryland, to get information.

Secretary VILSACK. Congressman, we have put together a capital improvement plan, which I will make sure my staff gets to you, which basically outlines precisely where our priorities are. And the reality is that everyone can have a different list of priorities, but I do not think anybody can disagree with the process, which is that you take a look at the facilities that you have, you take a look at the modernization.

[The information follows:]

#### AGRICULTURAL RESEARCH SERVICE CAPITAL INVESTMENT STRATEGY

The ARS capital improvement plan has been provided to the Subcommittee.

#### ARS RESEARCH FACILITIES FUNDING

Mr. FARR. I am not against that. I am wanting to get money into that account so that you can do the work. That account was zeroed out.

Secretary VILSACK. Well, I was going to get to that, that there were resources and those were taken for other purposes.

Mr. FARR. Well, you can put them back. I mean recommend they be put back.

Secretary VILSACK. Frankly, the reason we have done what we have done with the poultry facility is to basically say to Congress, if we are going to fund something, let's fund it and let's not sprinkle the money out in 15 different pots only to have it 2 years down the road basically scooped up because there is some other greater need. In that circumstance, nothing ever gets done, all right.

Mr. FARR. I totally agree. I am not in disagreement with you. I want to get that program vigorously upgraded so that we do not lose the capacity to keep that seed corn of intellectual knowledge, and I think that is where we beat the rest of the world. As long as we are ahead of them in our science and application of that science to agriculture, we can stay competitive, but we have got to make sure that the facilities at least can house the equipment and the personnel that are going to be that brain trust.

Secretary VILSACK. You are absolutely right, and that goes in line with the comment that we have to invest in research, which we have not done as much.

#### LIGHT BROWN APPLE MOTH

Mr. FARR. We will look forward to you aggressively supporting new research.

We have got a real conundrum. USDA is circulating a draft plan to deregulate LBAM, which is the light brown apple moth. We have listed this moth as saying it is one of the top 15 pest in the United States, invasive species. It attacks 250 plants. This is your comments. You are circulating this to convince foreign countries or other States that this is bad critter, at the same time you are saying we have given up on trying to get rid of it, we are going to leave it up to the State. And the growers are stuck in the middle with this, growers are saying I have got this product I am trying to sell to Canada or I am trying to sell to Florida and now they are going to use the LBAM as a reason for not bringing my product in. And USDA in one hand is telling everybody how bad it is and other hand saying you are going to deregulate it.

If it does deregulate, and I think it will, what are you going to do to protect the growers' interest in being able to move product to other States and to other countries?

Secretary VILSACK. What we are attempting to do here is to find and walk a fine line between those areas that basically are not impacted by this and the capacity of those areas to actually export out of their county—interstate or internationally—while dealing with the issue in the few counties that are currently dealing with this. It is basically trying to walk a fine line here.

Mr. FARR. But will it allow the States then, if you deregulate and it is up to the States, and a State says we do not like this light brown apple moth coming into our country, we are not taking any product from Napa County, which is a big—or from Monterey County, which, you know, grows almost all the spinach and all the broccoli in the country. How are you going to prevent the States from denying product from moving from source into those States?

Secretary VILSACK. Well, and I will try to respond to this quickly, Mr. Chairman. It is not easy to do this, but the goal here is to allow those areas that currently are not problematic to continue to trade and to allow those areas that are currently dealing with this

issue to deal with it without compromising the ability of other areas to continue to trade. I mean, it is a fine line we are walking here.

We will continue to work with States, we will continue to work with folks to understand this, but that is what we are trying to do here. We are trying to walk a fine line so that we do not shut down the process completely for those folks who have a completely free fruit that can be easily traded. We do not want to shut that down. So you have got to figure out how to do that.

Mr. FARR. Yeah, yeah, you do. Thank you.

Mr. ADERHOLT. Okay. We have been joined by the ranking member of the full committee, Mrs. Lowey, so let me recognize her now for any questions she might have.

#### SEQUESTRATION

Mrs. LOWEY. I thank you, Mr. Chairman.

I apologize, Secretary Vilsack, but there are about three or four conflicting hearings this morning, and I want to thank you for your leadership.

I just want to say, I am deeply concerned about the future of the Department of Agriculture. As you pointed out in your testimony, which I did read, despite your best efforts the upcoming negative effects of sequestration cannot be forestalled. And I note with grave concern that already over 15,000 very low income rural residents, mostly elderly, disabled, and female, will not receive rental assistance. I can only wonder what is next and to what extent USDA's ability to fulfill its mission will be further compromised in the future.

Your testimony expresses the Department's commitment to the WIC program, which I have strongly supported. It also notes that discretionary budget authority for 2013 is \$1 billion below 2009 levels. As you know, unlike SNAP, WIC is funded out of the discretionary budget authority, has to compete against other programs for funding year in and year out. If a solution is not found to turn off the sequester, and I sincerely hope we can do that together, do you foresee a situation similar to one that the Department is encountering with its rental assistance program for the WIC program where some need just goes unmet? And if WIC will not have to go without, what program areas will?

Secretary VILSACK. Well, WIC is a priority for us, and I believe that this budget, in our view, will adequately fund WIC for 2014. But you have mentioned rental assistance and that is a problem and that is going to continue to be a challenge for us in terms of the housing needs of the poor and elderly in rural areas. There is no question about that.

You ask what gives. Well, we do not have as much resources in other areas of our budget that will provide help and assistance to the wide range of people we are helping in rural America. But our budget does, in our view, adequately fund WIC, but I will tell you, we are concerned about rental assistance. This fall we will see, as you mentioned, 15,000 folks will not get rental assistance. The question then is how does that impact those properties and do they ultimately get to a point where they cannot make their payments or do we get into foreclosure circumstances? It is a consequence of

the way in which the sequester is crafted and the fact that we have very little flexibility in what we do.

Mrs. LOWEY. Well, I am glad your comments are on the record, and I do hope we can work together on both sides of the aisle to resolve the sequester, because to see the potential impact on people who really cannot take it is devastating.

#### HEALTHY FOODS FINANCING INITIATIVE

I also want to mention the Healthy Foods Financing Initiative. There are no funds proposed for the Healthy Foods Financing Initiative in your budget. This was a major initiative of the administration to utilize private and public capital to build supermarkets in low income neighborhoods without access to fresh foods. There was no funding proposed in the fiscal year 2014 budget. Especially I was surprised that one of the program's main goal was to leverage public dollars for private capital to create taxpayer savings. How are we going to address this issue?

Secretary VILSACK. Well, a couple of things. First of all, we can use some of our regular program resources—our Business and Industry Loan program, and the Value-Added Producer Grant program—to help fund and support food hubs and grocery stores and mobile units throughout rural areas to provide access to food.

Secondly, we are attempting to reach out to those who have an interest in this to encourage them, the private sector, to respond. I will give you an example. We reached out to Whole Foods and suggested that Whole Foods ought to consider their responsibility, particularly in inner-city America. And to their credit, they responded by going into Detroit. They are going to ribbon cut in June a facility in inner-city Detroit, which they have basically created a new model, if you will, for their company that will try to respond to the food desert. Wal-Mart is doing something akin to that. There are a number of other groceries chains that have been responding.

And so we think through our regular programs and through our efforts to educate and raise the awareness level, the food atlas that we have that basically identifies where these food deserts are, we think a combination of that will try to respond to some of the concerns. Now, you know, in a perfect world, we would love to be able to have resources for the Healthy Foods Financing Initiative to partner with the Treasury Department and HHS, who do have resources, and the New Market Tax Credits available for that purpose. But in the meantime, we are going to work to educate people about those programs and hopefully facilitate more development.

Mrs. LOWEY. I just wonder, you can get back to me, if there is any way of getting the information. Are there any farmers markets that go into these areas or are they—

Secretary VILSACK. Oh, absolutely, absolutely. We have had a 175 percent increase. And I will tell you a program that we have in Chicago. It is not a farmers market, per se, but we have, working with Mayor Emmanuel, we have retrofitted some of their old transportation buses, and they basically are like the old ice cream truck, but except instead of ice cream, they have got fruits and vegetables. We have equipped them with EBT cards that SNAP beneficiaries could use, and they have available to them fresh

fruits and vegetables that they could purchase, that travels around the neighborhood.

We are doing a similar thing in rural areas because oftentimes the food desert issue is tough if you are 10, 15 miles away from a grocery store. If you have some kind of mobile unit circulating around, it creates at least some access.

Mrs. LOWEY. Well, that is great, and thank you so much. We wish you continued success.

And thank you, Mr. Chairman.

Mr. ADERHOLT. Thank you.

Mr. Fortenberry.

#### SNAP PROGRAM INTEGRITY

Mr. FORTENBERRY. Mr. Secretary, I would like to return for a moment to the SNAP program. It is one of the largest programs in the government, and the head of the Food and Nutrition Service was here recently and we had a lengthy conversation about that fact as it provides an important safety net for many vulnerable persons. That is why it is all the more important that we ensure the integrity of the program, and given that the fraud and abuse rate is low and it has fallen significantly in the last few years, particularly with the advent of the Electronic Benefit Transfer, nonetheless there are still some difficulties there with trafficking among retailers, that problem, plus the lack of measures, aggressive or appropriate measures, let's put it that way, to ensure eligibility among some recipients.

And in that regard, I think you alluded to it earlier, that the Inspector General recommended some changes to the program that the Department has accepted that will allow for, I think it is a 10-State model, to share data to ensure that those who need the benefit are actually receiving it, that there is not false identification, false Social Security numbers being used as well.

A rough calculation based upon her testimony recently was this could save us hundreds of millions of dollars potentially. So I think that is what you were alluding to earlier as you are discussing this.

Secretary VILSACK. Well, there are a series of steps. One is we have asked in this budget for additional resources to hire additional data mining experts; additional certification personnel to make sure that we are doing a good job of making sure that the people qualified for the program actually get it; additional investigators. I will tell you that last year there were over 800,000 reviews and inspections of individuals, and there were several thousand reviews of grocery stores where we basically saw trends or concerns.

There is also the issue of the definition that we will be addressing in the 5-year farm program. You know, what grocery stores ought to be qualified to provide SNAP and are there areas where we see high liquor sales, high cigarette sales that we often see connected to the kind of conduct that we do not want, are there ways in which we can assure that grocery stores are the ones benefitting from this program and that people have access. And so there are a variety of ways in which we can address this.

And it is not just SNAP. It is also—we need to look at integrity in our school programs, we need to look at integrity in our WIC

program, in our TEFAP program, so you will see throughout the budget that there is additional resources for evaluation, for additional review, because we take this issue of integrity, as you point out, very seriously.

Mr. FORTENBERRY. Well, the Inspector General alluded to the fact that the Department accepted their recommendations, and I think that was the earlier conversation. I did not hear it all. But to ensure again the integrity of data and to double-check.

Secretary VILSACK. Right. It is integrity. It is also just errors, just innocent errors that can also cause additional expense.

Mr. FORTENBERRY. Again, because of the size, the total expenditure of the problem, even a small drop in fraud actually saves us lots and lots of money.

Secretary VILSACK. Right. And honestly, it is not just the SNAP program. It is not even just the nutrition programs. I think we have a responsibility, as the Chairman alluded to, to taxpayers. I mean, there is also an issue we are taking very seriously on crop insurance, because the percentage of error and fraud rate is higher in crop insurance than it is in SNAP. Obviously, those programs are different in terms of size, but if even you reduce the error rate in crop insurance, you are talking about tens of millions and potentially hundreds of millions of dollars in savings as well. So, it is incumbent upon us to continue to be focused on integrity.

#### FARMLAND VALUES INCREASE

Mr. FORTENBERRY. We had a hearing several years ago on the land price increases on the Ag Committee. The basic finding was that this is not substantially due to leveraging of credit; therefore, the conditions leading to a potential bubble are not exactly the same as they were in the 1980s.

Now, we have seen land values continue to escalate. I am sure, in your neighborhood, farmers are raising their eyebrows as to how much these farms are selling for. Now, given that the returns in the market for everything else is so low, you probably have large amounts of, in effect, cash being plowed into these investments, which have a small return but nonetheless very stable return. Is that the findings of the Department still, that the potential for a land valuation collapse is mitigated by the fact that this is not being leveraged aggressively by credit?

Secretary VILSACK. Well, let me briefly answer this and then maybe Dr. Glauber could elaborate. I do not think we are faced with nearly the same circumstance we were faced with in the early 1980s where people were over-leveraged. Notwithstanding that, I think there are concerns in terms of land value and in terms of cash rent issues and the ability of young people to get into this business or to be able to maintain the business.

Doctor, I do not know if want to—

Mr. GLAUBER. Yeah. I would just say, you are absolutely right, we have seen this dramatic increase in farmland prices. I think it is fully consistent with the fact that we have had very strong farm income and low interest rates. I think both those have been very big factors in seeing the sorts of increases that we have seen, particularly in the Midwest.

Should that slow, you know, we are projecting farm income to flatten a bit. I think over time people are expecting interest rates to rise a little bit, so that certainly would have some impact on that growth in land prices that we have seen. But you are absolutely right. I think the good thing and the big difference in what we saw in the 1980s is the fact that real estate debt has not been going up. The leveraging, I think, banks have been very prudent about lending and people have basically been doing that with cash on hand, buying land rather than, you know, leveraging their assets.

Mr. ADERHOLT. Mr. Bishop.

#### ARS RESEARCH FACILITIES

Mr. BISHOP. Thank you very much.

I want to return back to the ARS and the research, and I appreciate Mr. Farr's take. You know, of course, Mr. Secretary, you mentioned the multiyear facility plan for capital investment which obviously the research facilities across the Nation have contributed significantly in making us among the best in the world with agricultural output and production. But as you are aware, there are a considerable number of facilities that are in pretty bad shape, in great need of improvement. Of the 25 facilities that ARS ranked as being in the worst condition, the agency recommended immediate allotment of capital investments for less than a third of them. And of course, I know that our fiscal environment is very challenging, and for these facilities, particularly given the research value that they hold for the commodities that they support, what options do we have for them, and what options do we have for the facilities that are not slated for incremental funding and capital improvements, given the research value that they hold?

I have a facility, for example, in Byron, Georgia, which is the Byron laboratory, which we talked about peanuts and poultry already, but we have got some other P's, pecans and peaches, that that laboratory fully supports. And Mr. Farr mentioned the partnership and perhaps some incentives for involving State universities and private, I should say, industry interest in combining with you and partnering in developing support in these research activities.

Can you explore any options? Are there other options that we could look at? For example, we have got one of the 1890s in our district, Fort Valley State University, that is interested in partnering or acquiring somehow the Byron facility because it is so vital to the peach, as well as the pecan research, and we have got a gene bank there in Byron that is second to none in the world for pecans.

Secretary VILSACK. Well, Congressman, first of all, you know, let's be clear about this. The more opportunity in research that we can do, the better, as far as I am concerned, and that is why, you know, we are making the case that we need to invest more in research.

There are some facilities that probably have outlived their usefulness and where research that is important can be done in some place that is more efficient and more effective, and then that means what happens to that facility if we close it. And I will tell you from the experience of the labs that we have closed, we work

with universities, we work with land grant universities, we can work with historic black colleges, we can work with our university partners to take over that facility.

And in fact what we have done with several of these facilities is also to encourage them to use this as a beginning farmer and rancher development opportunity because oftentimes these facilities are surrounded by land, and the question is, what happens to that land? Well, that land could be made available in a beginning farmer or rancher program and in some cases tied to returning veterans. So we are exploring creative ways to utilize those facilities, perhaps not at our expense, but to make sure that they continue to have some useful purpose. And we would be more than happy to work with any college or university for any of these facilities that ultimately have to be closed.

Here is the economic reality. We cannot, based on the budget as it exists today and based on the fact that our discretionary budget is below where it was in 2009—so I am dealing with not 2013 or 2012 or 2011 or 2010, I am dealing something below 2009—as long as that continues, and I suspect it will, we are going to have to make tough choices. You can disagree with our choices, fair enough, but you are going to have to make those same choices because there are only so many dollars.

#### 2501 PROGRAM AUDIT

Mr. BISHOP. Let me jump in on the 2501 Program audit. The Inspector General completed an audit of the Office of Advocacy and Outreach, which is a part of your office and was established to assist farmers and ranchers who have moderate-sized operations. You are familiar with that. I am a very strong supporter of the 2501 Program and welcome all of the additional efforts which are aimed at improving the administration of that grant assistance program.

The IG's audit cited a number of missteps in administering the program on the part of some of the employees, as well as a general lack of management facilities in the grant-making process. Assuming that that recommendations are put in place and carried out fully, and I noticed that the OAO staff acknowledged and accepted all of the IG's recommendations, are you confident that moving forward, the program will be managed in a proper manner and will be able to carry out its function, particularly given the fact that I think it is proposed that veterans will be included as a group that will be able to take advantage of it, which means that you will have more people accessing that limited program with basically fewer resources.

Secretary VILSACK. Congressman, I requested that audit, personally requested that audit, and as a result am personally assured by the team that is now engaged at OAO that those audit recommendations will be followed and that our program will be much tighter and much better, perhaps more competitive, but nevertheless much better managed than it was. And I accept responsibility for the fact that it was not managed as well. That is why I asked for the audit, and I think we have made changes already to institute many of those audit recommendations.

Mr. BISHOP. Thank you, sir.

Mr. ADERHOLT. Mr. Yoder.

## WIC PROGRAM ELIGIBILITY

Mr. YODER. Thank you, Mr. Chairman.

Mr. Secretary, I appreciate your continuing conversation here this morning. I want to talk with you a little bit about the WIC program and the recent GAO report that came out earlier this year regarding the amount of Americans that are participating in the program and some eligibility issues and implementation amongst the States. I do not know if you are familiar with the report, but according to the report, over 60 percent of the States use income only within the last 30 days when the standard for WIC eligibility is annual household income. States also only allow the income of the mother and child to be counted instead of the income of every member of the household. I am sure you are familiar with that.

And then the adjunctive or category of eligibility, many States have increased their eligibility threshold beyond 185 percent of the Federal poverty level that the WIC program sets as the maximum threshold for eligibility. In fact, the GAO finds that 13 States use SNAP eligibility at 200 percent, 25 States set Medicaid eligibility over 185 percent, some States set their Medicaid expansion of SCHIP as high as 300 percent, and yet those folks are automatically eligible then for WIC.

And what the result of all this is, is over half of the infants in this country are now enrolled in the WIC program, and GAO finds that, according to the standards of WIC, that would not be the case. And so I guess my question is—well, let me first case say, I guess, the GAO also finds that the FNS has never examined these reports for State and local WIC agencies' compliance with Federal regulations despite over one-third of the States having problems in this area and that the last time FNS provided guidance to the States on income eligibility determinations was in 1999, some 14 years ago.

My questions are, Mr. Secretary, what does FNS intend to do with these reports and how will increased technical assistance and training to the States on income eligibility determinations and what specifically will be included in any new income eligibility determination guidance that the FNS issues to the States?

Secretary VILSACK. Congressman, I appreciate you raising the question, and I will try to be responsive, but I suspect that we will have to supplement my response with additional information, which we will be happy to provide.

As I stated earlier, this whole issue of integrity is important to us, and we are focused on a couple of things in reference to WIC. Our focus primarily with the States has been in the past their inability to focus on proper providers of WIC. We have seen circumstances in situations in States where grocers take enormous advantage of the WIC program and essentially hike up the price of WIC products and then provide discounts on other products in an effort to try to get people into their store. And so that has been a focus of our efforts in a couple of States, to sort of stop that practice.

You know, we obviously have a responsibility to make sure these programs are managed properly. I will be more than happy to talk to my team about the steps that we are specifically taking as it re-

lates to those studies, and my team will get back to you very quickly with that response.

[The information follows:]

## WIC Program Eligibility

Federal WIC regulations allow the State agency to consider the income of the applicant's family during the past 12 months or the family's current rate of income to determine which indicator more accurately reflects the family's economic status. FNS Instruction 803-3, Revision 1 (*WIC Income Eligibility*) states "current" should mean the most recent income data available to the applicant and therefore encourages State agencies to define current income as income received by the household during the past 30 days. Annual income is more appropriate for self-employed persons, including farmers or seasonally employed persons whose income fluctuates; teachers who are paid on a 10-month basis and are temporarily on leave during the summer months; and persons on a temporary leave of absence from employment such as maternity leave.

Additionally, Federal WIC regulations define family as a group of related or nonrelated individuals who are living together as one economic unit. Therefore, for purposes of income assessment all persons who share income and expenses are considered as part of the household or family and their income must be considered.

The Child Nutrition Act of 1966, as amended, requires WIC State agencies to accept as income-eligible for WIC any applicant who documents that s/he is certified as fully eligible to receive SNAP, TANF, or Medicaid benefits; who is a member of a family that is certified as eligible to receive TANF; or who is a member of a family in which a pregnant woman or an infant is certified as eligible to receive assistance under Medicaid. The American Recovery and Reinvestment Act of 2009 increased the maximum income level for SNAP eligibility to 200 percent of the federal poverty guidelines in certain cases, and State agencies that administer TANF and Medicaid have considerable discretion in the income levels that are used to establish eligibility for those Programs. While an individual who applies for WIC and is not receiving SNAP, TANF, or Medicaid may not be certified if the household income exceeds 185 percent of poverty, State and local agencies are required by law to consider recipients of these 3 Programs to be adjunctively income eligible for WIC even if their maximum standards are greater than 185 percent.

A USDA analysis released in January 2013 estimated that just over two million infants, fully half of the infants in the U.S. had family incomes below 185 percent of the Federal Poverty Guidelines in 2010 (*National and State-Level Estimates of Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Eligibles and Program Reach, 2010*). These infants would be eligible for WIC benefits even in the absence of adjunctive eligibility through SNAP, TANF, or Medicaid.

USDA's most recent analysis of State WIC administrative data showed that 69 percent of WIC participants received benefits through one of these other programs in 2010. But that same data finds that the great majority of those WIC participants reported incomes below 185 percent of the poverty guidelines. Among all participants for whom we have income information in 2010, just 2.9 percent reported incomes above the 185 percent threshold. For infants, the number was 2.7 percent.

FNS routinely reviews all WIC State agencies for compliance with Program operation and administration requirements, including the critical area of certification and eligibility, during its management evaluation reviews. Where deficiencies are found, FNS requires that State agencies undertake corrective actions and monitors compliance with those corrective action plans.

Prompted by results of the National Survey of WIC Participants Study II (May 2012) and the GAO Survey of WIC Income Eligibility (February 2013), FNS will issue WIC Income Eligibility Guidance in April 2013.

The WIC Income Eligibility Guidance updates and consolidates existing Food and Nutrition Service (FNS) Instruction 803-3: *Income Eligibility* and WIC Policy Memorandum 99-4: *Strengthening Integrity in the WIC Certification Process*. It also reiterates that "current income" should refer to all income received by the household during the month (30 days) prior to the date the application for WIC benefits is made, and requires justification of any other definition in the State Plan. Further, the Guidance allows only one instance of providing a temporary (up to 30 days) certification when an applicant lacks necessary income documentation at a certification appointment and fails to provide it before the temporary certification period expires. All necessary changes to State agency procedures in order to comply with this guidance must be implemented by the beginning of fiscal year (FY) 2014 (October 1, 2013).

FNS intends to periodically review the Management Evaluation (ME) reports of State agencies to identify areas of concern, provide corrective action, training or technical assistance. In addition, the ME reports will be used to help determine changes in policy or regulations that may be necessary to address emerging issues or trends.

## PROGRAM IMPLEMENTATION

Mr. YODER. I appreciate that, Mr. Secretary. I think certainly this is a report that was, I think, disturbing to all of us. We want to ensure and work with you to make sure that those who are most needy receive the services, and we also want to make sure that these programs are being implemented uniformly in States, and this State implementation that is occurring that has a lot of States essentially misapplying the rules and FNS not following up is a big concern to a lot of us, and we hope that you will make this a priority because as we work to find the resources in this budget to make sure we meet your priorities—and you talked about a lot of them, ag research, and we talked about crop insurance programs certainly, and you have mentioned integrity in whole sorts of programs. The GAO has some specific things that your Departments could implement that would save taxpayer dollars, ensure that those dollars are getting to people who need them most, and make sure that we are, you know, providing a system that is effective and consistent across State boundaries.

Secretary VILSACK. That is a legitimate concern, Congressman. And this is by no way an explanation, and I do not even know if it is accurate everywhere, but as a former governor, I know that when you are faced at the State level with difficult budgets, oftentimes what happens is staffing levels get reduced, and departments of human services are places where these programs are being administered, and essentially sometimes it is—and honestly, I frankly think that is one of the challenges and risks we have as we reduce workforce, and we have done this at USDA. I mentioned 5,000 staff years. You get to a point where the oversight of the program is not what it needs to be. And we need to keep a very wary eye on this.

I am particularly concerned about rural development in my area where we have got a portfolio of \$183 billion and yet we have seen a substantial reduction of 2,000 staff years at rural development since 2009. So, I do not know that that is the reason, it may not be the reason, but it is an area that I suspect is some of the reason that you have got the concerns.

Mr. YODER. And I appreciate—

Secretary VILSACK. We should look into that.

Mr. YODER. I appreciate that point, Mr. Secretary, and in this case you have got a GAO report that has done some of that oversight for you, so hopefully you guys can dive into that and maybe come back to us with some responses of how we can meet some of the challenges laid out there.

Secretary VILSACK. Fair enough.

Mr. YODER. Thank you, Mr. Secretary.

Mr. ADERHOLT. Ms. Pingree.

## SNAP BENEFITS AT FARMERS MARKETS

Ms. PINGREE. Thank you, Mr. Chair.

Thank you, Mr. Secretary.

To follow up on somewhat of a different perspective on the SNAP program, I was really pleased that one of the USDA's key performance measures for fiscal year 2013 was to increase the amount of SNAP benefits redeemed at farmers markets. For a whole variety

of reasons we have been tremendously supportive of that. As you mentioned earlier, the number of farmers markets is growing every day. People's access to them is increasingly available. And it allows people who have limited economic means often to procure fresh vegetables and fruits and educate their families around using them.

So, I am just interested to know how successful you have been in meeting the goal. Are there additional resources that are needed to help those efforts? I think it is one of those things just, I have to say again, it is widely supported by people of all political stripes and ages and rural and urban, and it is one of those things I know in my communities, when we talk about making it easier to use your SNAP benefits at a farmers market to buy fresh healthy food, people just say, "wow, what a great idea", let's make sure we are doing plenty of that.

Secretary VILSACK. Congresswoman, I think you would find that with the existing resources, we have been able to expand that opportunity to thousands of farmers markets and we have seen obviously a significant increase. And one area, in particular, is among senior citizens. Oftentimes when we talk about SNAP, we talk about young families, as we should, but there is a percentage of SNAP beneficiaries who are senior citizens who oftentimes do not have access to those fresh fruits and vegetables, and we have seen a rather significant increase in the number of seniors that are eligible.

One of the things we are going to keep an eye on is the impact of sequester on the number of people we can provide help and assistance to. We are concerned that we are probably going to see a slight downturn in some of that assistance because of sequester, but we are going to continue to be committed to that effort.

You know, we think it is a great community builder. We think it is an opportunity for smaller producers to have additional markets, and obviously it is an opportunity for people to be able to buy fresh fruits and vegetables. I would say that one of the things that we are looking at is, the way in which SNAP is currently configured, oftentimes your SNAP card is filled in at the beginning of the month and it is sometimes difficult in the middle or the latter parts of the month to be able to have anything on your SNAP card to be able to buy fresh fruits, and some things do not keep 30 days. So we are looking at ways in which we could potentially alter the way in which the SNAP card is administered so that, you know, maybe you get half of it at the beginning of the month and half of it in the middle of month so that you have an opportunity to buy more fruits and vegetables that will not spoil.

Ms. PINGREE. And I would say, just to follow up on that, I know, you know, one of the issues that you have been certainly doing some work on, but it is not completely solved, is farmers markets themselves being able to take SNAP cards and the electronic technology to do that. And I know there has been some pilots around that, but in a very rural State like ours, that can be complicated for the administrators of the farmers markets or the individual farms.

While you are thinking about how benefits are distributed, we have had a lot of people talk to us about the idea of SNAP bene-

ficiaries being able to participate in CSAs. That is just growing very fast. Again, seniors, people in rural areas who sort of planned ahead, but because of the way the funds are administered, it is very hard for them to have any SNAP money available to do something like that up front, but perhaps we can get creative about making that possible, because, again, that is a dependable source of fresh fruits and vegetables that come monthly, weekly, biweekly, something into a person's home, and you know, encourages eating those foods, and also keeps people healthy and gives farmers really a great new market.

Secretary VILSACK. That latter part, latter point, is an administrative challenge but maybe there is a way in which those CSAs could be affiliated with an enterprise that already is SNAP eligible. That is a possibility.

#### RURAL WATER AND WASTE PROGRAM

Ms. PINGREE. One other quick question, since I have some time. This is on another area, the rural water and sewer projects. So I see that the budget proposes elimination of rural water, sewer grants in favor of low-interest loans. As you know, USDA is the single largest source of grant funds for community facilities, but in many cases small communities simply do not have the economies of scale to absorb 100 percent of the loan financing, and I represent 125 communities and many of them are small rural communities.

Can you provide some additional detail on what those communities are supposed to do under the new structure, what is the backlog for the demand on this financing, and how much of that is loan versus grants?

Secretary VILSACK. Well, we are reducing the grant portion. We are not eliminating the grants. There is still, I think, roughly \$320 million or so in grant money and about \$1.5 billion total between grants and loans. We think with the lower interest rates, it basically makes that loan program a bit more attractive and a bit more feasible to use.

Having said that, there is a significant backlog of these projects, and it is one of the reasons I traveled to New York City last week to meet with investment banks to see whether or not we could in some way, shape, or form, educate them about projects that are in rural areas that they would not otherwise think about that would provide a potential return, and in fact, also reaching out to companies that are looking to fulfill social responsibility requirements and potentially utilizing the water programs as a way of doing that and still get a slight return for their investment.

The key here is making sure that as we reach out to investment bankers, that we can sweeten the pot enough that they become interested, that their return is consistent and competitive, which we are going to try to do. And I think this is part of our strategy to figure out creative ways to leverage our resources so that we can stretch them further and do more projects, even though we may have fewer dollars to deal with. So this is our effort.

Ms. PINGREE. Great. Well, I will be interested in hearing if that yields results. So thank you for trying to be creative there.

Thank you Mr. Chair.

Mr. YODER [presiding]. Mr. Farr.

## NUTRITION ASSISTANCE PROGRAM INTEGRITY

Mr. FARR. It is very interesting that we are able to in this committee sort of present the philosophies of two worlds out there, the world that I grew up in, which was war on poverty, Peace Corps, sort of a trust that dreams could be fulfilled, and another side of the world that is more suspicious. You know, we are security minded and we got to make sure that people do not cheat and that, you know, the wrong folks do not get benefits.

I think you are right in the middle of that war, and I see it, frankly, all carried out in our food assistance programs, whether they be WIC or SNAP or the programs in schools. And the war I see is that you are fighting a tradition which the beneficiaries of that, of our policy on feeding the public, feeding poor people and feeding kids that are from low income families, is that the war is what you are going to feed them, whether you are going to move to a nonregulated, nonsubsidized industry and the specialty crops, which is all the nutritional stuff, or whether we stick with the old program, which is the traditional commodities and so on. And, you know, when you can sell a chicken McNugget at a school level cheaper than a head of lettuce, you know that something is wrong with all the processing you have to go through and all handling you would have to do to get that chicken McNugget to its place versus the minimum amount of handling for lettuce.

So, you know, it is a war on the diet. It is also a war on this issue of trust. I think people find the abuses and say, you know, taxpayers' money should not be spent on those abuses. Some would argue, well, in light of all the things the government spends on, that is kind of de minimis, why are we spending so much time and money trying to catch the cheaters because the cost of administration is so great?

So in this, you know, in this program, I think you are in the position where you can solve both sides, because they are not going to go away. One side is not going to give up to the other. So it is going to have to be how do we use technology, how we educate the electorate and people like us as to the benefits. I mean, one of the things that I think the Department does a poor job is showing all of the people who receive the WIC funding, I mean, the stores, where that money ends up in that private economy out there. You are talking about starting up businesses for farming practices, for vets and things, where are they going to have that market? And oftentimes it could be a small market, it could be stopped by, you know, you can be selling the WIC food next door.

This is what a young gal did in organic. She went right and set up her stall next to the WIC office and she is booming. She is in her second generation. The women walk out the door and there everything they are allowed to buy is right there in the farmers market, and that is what she makes her whole living on. And so there is a benefit for those expenditures in the private sector and it can grow businesses, and we do not take advantage of taking about that, where the SNAP money ends up and where the WIC money and where the school lunch program.

But I think on the fact that, you want to make sure that there is security, but you do not want so much security that the adminis-

tration of that outweighs the benefit, and I think that is the dilemma that Congress has got itself in. They want this accountability, which is going to be very costly.

So my question to you is, are you working to develop technologies using bar codes, using all this kind of stuff? When you think about it, the person who has that SNAP card is bar coded, because you know who that person is, because they qualified for the card, and on that card there is a sign. And the food they are buying, I do not know whether it is registered, but everything you buy in the store is now bar coded. So the food is bar coded, the person is bar coded.

Mr. FARR. I don't know whether the seller is bar-coded. You know, there is that information. Can we use technology as banking and financial institutions do to catch the cheats rather than just this high kind of concentration on labor reviews?

Secretary VILSACK. Well, I think we are doing that. And you are probably right, we don't do a good enough job explaining that to folks. But we are using technology.

The data-mining utilization is allowing us to basically track where there is high-risk areas that allow us to do investigations and reviews, which have led to literally hundreds of stores no longer qualifying for SNAP and thousands of people disqualified from the program because we were able to identify through data mining and through a review of the information where there were problems. And that is one of the reasons why the fraud rate is at historic lows and why the error rate is at historic lows. And it is one of the reasons why we are going to continue to do more of that. It is one of the reasons why we have asked for additional resources in this budget to be able to do more of that.

So, yes, we are doing it. We obviously need to do a better job educating folks about it.

Mr. FARR. You mentioned in a speech recently that the nutrition programs are under attack. Could you outline how you are going to respond to that attack. Is that what you just said?

Secretary VILSACK. Well, there are several responses to it, and, again, I probably need to do more of this. But we talked about the fact that every dollar that is spent in the SNAP program generates between \$1.80 and \$1.90 of economic activity.

I was in a grocery store in South Dakota not long ago talking about the fact that when people are able to purchase more with SNAP, they actually do purchase more; that 95 percent or 97 percent of the resources are spent within 30 days; that that rolls around in the economy because more groceries have to be stocked, shelved, packaged, processed, trucked, shipped and produced, all of which create throughout the supply chain jobs. So we obviously need to do more of that.

Part of the challenge that I have as the Secretary of Agriculture is that the portfolio of agriculture is so broad. You know, I am going out to your State today, unfortunately not to talk about SNAP, but to talk about forest issues, which obviously are very, very important. And we are also going to have the opportunity to talk with the mayor of Los Angeles to talk about urban forests. That is not an issue that gets as much attention as it should.

We just do a lot at USDA, and we are going to continue to try to do the best we can to educate folks, but we obviously need to do more in this area.

Mr. FARR. My time is up.

Mr. YODER. Mr. Bishop.

Mr. BISHOP. Thank you very much.

#### ANIMAL ANTIBIOTICS

I would like to shift the subject to animal antibiotics. According to the Infectious Diseases Society of America, nearly 2 million Americans each year develop hospital-acquired infections resulting in 99,000 deaths, a steadily increasing number due to antibacterial-resistant infections. The Director General of the World Health Organization last year warned that things as common as strep throat, or a child's scratched knee could once again kill.

Currently medically important antibiotics sold for food animal use constitute more than 70 percent of the total reported sales of medically important antibiotics in the U.S. It is my understanding that the Department plans on launching a biotherapeutic discovery program, which would be aimed at developing and providing alternatives to animal drugs and, in particular, antibiotics. Can you share with us your thoughts in this area, and are you coordinating with the FDA, the CDC and others in the development of this?

Secretary VILSACK. Congressman, first of all, as you know, the FDA is promulgating some guidelines and some rules in this area, and we have been working with them in the promulgation and the establishment of those guidelines and rules. And, in fact, we have jointly gone out into the countryside and had a series of events where we are educating producers about precisely what they are or are not requiring at FDA.

We think part of our responsible approach to this issue is for us to continue to do research to find if there are alternative ways in which we can deal with disease, animal disease, so that we can continue our responsibility to protect our animals and to increase productivity. That will always be part of our mission. And this is an area that we feel very strongly about.

In an effort to try to use scarce resources most effectively, we prioritize our research, and this is an area, animal production and productivity, which is one of the critical areas of responsibility and a critical area of emphasis at USDA.

#### ORGANIC AGRICULTURE

Mr. BISHOP. We have a burgeoning interest in Georgia in organic agriculture, and we have got a number of, at least a few, very successful organic producers in our area, and they are beginning to look at this and to raise concerns as to what the impact will be on their industry, because they develop a niche product for sophisticated palates, as they put it, people who really want to have—to consume the kind of food that is healthy, and environmentally friendly, and ultimately good for everyone.

So that is an issue that is really becoming—moving to the forefront, and I appreciate, and I am sure that they will appreciate, the Department's entry into this and interest in it as you develop this

research, because it is really, really important for this segment of the population and of the producers.

Secretary VILSACK. Do you want me to respond to that?

Mr. BISHOP. If you would like; if not, I don't want you to talk for the sake of talking.

Secretary VILSACK. Just one aspect of this, and that is one of the challenges at USDA is to make sure that we respect and appreciate all forms of production. And part of maintaining that value, that high value that you referred to, is making sure that we do a good job of protecting the standards that create that high value, and we are very committed to that.

Mr. YODER. Any other questions?

Ms. DELAURO. If I can.

Mr. YODER. Ms. DeLauro.

#### SEQUESTRATION AND BUDGET CUTS

Ms. DELAURO. Thank you very much.

Mr. Secretary, I know in your testimony you allude to the across-the-board cuts imposed by USDA, but what I want to do is to try to get some more detail. If could you briefly tell us by agency how sequestration and the budget cuts will be handled, and specifically which agencies you expect to have to furlough employees and for how long. How will the recipients of programs, for instance one that you mentioned, such as rental assistance, be affected by the sequestration?

Secretary VILSACK. Congresswoman, basically 1,500 fewer farmers will receive credit as a result of sequestration. Between conservation planning and conservation resources, roughly 15,000 producers will not be able to get the kind of conservation help that we would have expected them to get. We probably have somewhere between 100 to perhaps as many as 200 fewer research projects that will be funded. We will obviously do fewer business—

Ms. DELAURO. On the research projects for 1 second, that ties in with the research facilities in particular communities, or districts, or States, et cetera?

Secretary VILSACK. It is more of the NIFA program, the competitive grant program, which obviously impacts or potentially could impact a wide variety of universities and communities that are serviced by those universities.

In the area of rental assistance, we understand and appreciate that come September, or perhaps as early as August, we will run out of resources in that rental assistance fund, and we will basically have to say to roughly 15,000 recipients that we are not going to be able to provide the rental assistance that we would normally provide.

Ms. DELAURO. What happens to those folks?

Secretary VILSACK. Well, they just don't get the rental assistance, and the question then is what happens with them in their apartment complex, and what happens to the owner of the apartment complex if they don't get the kind of support that they were banking on to be able to maintain the project? So we are just going to have to see. I don't know that we have a really good answer to what happens other than we are going to be out of money, and that is a consequence.

As you know, Congress did address the poultry inspection issue, and so the food inspections will continue.

Ms. DELAURO. Yes.

Secretary VILSACK. It provides adequate resources, so we don't anticipate furloughs there. If we furlough workers, it will be in primarily two areas, in Rural Development and in the Farm Service Agency offices. The amount of time somewhat depends on, you know, our ability to transfer resources from a couple of accounts, but it could be somewhere between 4 to 7 to as much as 10 days of furloughs in those areas. Obviously if folks are furloughed, then work isn't going to get done.

The reason why the numbers aren't greater than they otherwise would have been was because 2 years ago we started this process of our Blueprint. We understood that we were going to be faced with difficult times, and we have reduced travel, we have reduced our footprint, we closed offices, we have reduced our workforce, we have used early retirement incentive programs. We have done everything you would expect an enterprise to do to try to be as efficient and as effective as possible, so it minimized the impact on our workers.

The goal here was to try to avoid as much furloughing and RIFs, reductions in force, as possible without sacrificing service, but with the sequester and the additional—not just the sequester, but the additional 2½ percent cut that was put on top of sequester—maybe other agencies and departments of government got hit that hard. If they are, I am not aware of them. And I suspect, although I don't know this is accurate, the discretionary budget authority for most of the departments is not below 2009 levels, which is the case at USDA.

Ms. DELAURO. Thank you for describing that. I think it still is relatively unknown with many of my colleagues the depth of the cuts. And as you talk about rural areas, as you talk about the FSA offices, I can remember on this committee several years ago when there was the move to do some consolidation on FSA offices, and there was such an enormous outcry that we couldn't get to consolidation.

Now when you are going to look at places just without staffing, and they may close up, I am not sure, I am not sure that there is a granular understanding of what this means in reality to the population of people that you are talking about. And we are talking about end of fiscal year, and this is in not end of the year December, but we are talking September and having to really come down with this hammer on these various populations. It is really pretty extraordinary.

Secretary VILSACK. One of the populations that will get impacted that may not be on anybody's radar screen, but we have mentioned farmers markets and things of that nature, is tens of thousands of fewer seniors and fewer folks will be able to take advantage of those farmers market opportunities as well. That obviously will have a rippling affect in those communities and for those producers. So, you know, I don't think we have seen that rippling effect, I think it is going to take a while for it to be fully appreciated, but it is coming.

Ms. DELAURO. I would like to work with you, Mr. Secretary, on outlining all of those things, because I think we need to call it to

the attention of everyone who serves in this body. And you know what? It also being made to the attention of the people they represent. Thank you.

Mr. YODER. Mr. Farr.

Mr. FARR. Thank you, Mr. Chairman.

One piece of advice if you are going to California, I think what Washington has failed to do is to ask California how they handled the furloughs. We did it for about 4 years, and we closed a lot of offices on Fridays and things like that. I think the State is, you know, in a lot of key issues where you can't really afford to furlough people. Researchers even came in on their day they were furloughed and kept working even though they weren't getting paid.

Secretary VILSACK. We can't do that.

Mr. FARR. I know. And they didn't order it; that was just the workers' intention.

The point is that I think there were a lot of lessons learned. It is a big State, budget the same size as yours, and you might get some advice while you are out there.

Mr. YODER. Thank you, Mr. Secretary. Appreciate your testimony today, and the meeting is adjourned.

UNITED STATES DEPARTMENT OF AGRICULTURE  
 SECRETARY OF AGRICULTURE  
 QUESTIONS FOR THE RECORD  
 HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
 APRIL 16, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ADERHOLT

FOOD AID PROPOSAL

Mr. Aderholt: Can you explain to this committee why the U.S. Department of Agriculture would support such a major overhaul of this program, especially if fewer dollars are going back into the farm based economies and the proposal could jeopardize American business and jobs?

Response: The P.L. 480 Title II food aid reform will provide life-saving assistance to an estimated two to four million more people annually without additional discretionary resources, and food aid will have the flexibility to use the right tool for the right problem, making programs more effective. In addition, emergency situations, the ability to use interventions such as local and regional procurement and programs food aid can arrive an average of 11-14 weeks sooner than Title II at a lower cost. In addition, mandatory spending - and the deficit - will be reduced by an estimated \$500 million over a decade. The reform will make the best of the constrained funding environment while improving program efficiency. The impact of the reform on U.S. agriculture will be small given that Title II commodities currently account for less than two-tenths of one percent of U.S. agricultural production and about one-half of one percent of U.S. agricultural exports.

Mr. Aderholt: How much does USDA believe will be the minimum percentage for just commodities?

Response: The Budget stipulates that at least 55 percent of the \$1,416 million request in International Disaster Assistance for emergency food aid will be used for the purchase, transport, and related costs of U.S. commodities, which sets the minimum at \$779 million. This is over half of the funding that the administration proposes to reallocate from P.L. 480 Title II to USAID foreign assistance accounts. In particular, USAID anticipates purchasing specialized, processed commodities to combat malnutrition and grains for large scale emergencies.

Mr. Aderholt: Do you think that USDA effectively and efficiently invested nearly \$250 million last year in the Food for Progress program on development projects?

Response: Within the constraints of the program's authorization, USDA efficiently and effectively invested FY 2012 funding for the Food for Progress program. In addition to USDA's program requirements, USDA and USAID worked closely with our in-country offices to strengthen the whole-of-government approach to providing development assistance by concentrating resources in areas of greatest need, as well as areas that yield the highest return on investment. Food for Progress grantees were required to obtain USDA approval for sale tenders and bids, ensuring that grantees use appropriate sales practices and receive prices consistent with reasonable local market prices. USDA maintains a sales performance tracking system that monitors the efficiency of monetization. During FY 2011 and FY 2012, the

recovery of procurement and shipping costs increased by eleven percent over the FY 2007 to FY 2009 recovery rate.

Mr. Aderholt: If so, why would you not recommend that the Administration simply expand this ongoing program at USDA instead of sending \$250 million over to USAID?

Response: Through the provision of U.S. agricultural commodities, Food for Progress assists developing countries and emerging democracies in introducing and expanding private enterprise in the agricultural sector. USAID is the U.S. Government lead on development, including food security, maternal and child health, agriculture, and resilience issues that have been the focus of P.L. 480 Title II development programs. Under the reform, USAID's Office of Food for Peace, which has administered P.L. 480 Title II development programs since 1985, will continue to manage these programs using the more flexible Development Assistance authorities instead of Title II authorities. The intent of the food aid reform in the FY 2014 Budget is to enable experts to select the right tool to most efficiently address non-emergency food security needs, rather than limiting the United States to a commodities only approach. While the management of these programs by USAID's Office of Food for Peace will not change, reallocating these funds to these USAID foreign assistance accounts will allow USAID to address the same development goals and issues, through implementing partners that receive Title II, at a much lower cost and with greater effectiveness.

Mr. Aderholt: How can this proposal work most effectively without Congressional authorization of these programs at USAID and the other laws and regulations surrounding PL 480, Title II at USDA?

Response: The bulk of the proposed shift in funding from P.L. 480 Title II is to USAID accounts that currently have all the necessary authorities for emergency and development food assistance. On the emergency side, USAID has been administering Title II since 1985 and has been engaged in using flexible food aid tools funded with International Disaster Assistance account funds since 2009. On the development side, USAID is the U.S. Government lead on development, including food security, maternal and child health, agriculture, and resilience issues that have been the focus of P.L. 480 Title II development programs.

#### NATIONAL SCHOOL LUNCH AND BREAKFAST PROGRAMS

Mr. Aderholt: The final rule established weekly maximum amounts for serving grains and proteins, which proved far more difficult for schools to meet. In response to feedback from the schools, the Department expanded flexibility in meeting the weekly maximums for grains and proteins for the current school year as well as into the 2013-2014 School Year. How else might we work with you, through the legislative process, in providing schools flexibility in implementing the new standards?

Response: Ensuring students are offered nutritious and appealing meals and that they consume these healthy options is a primary goal of USDA. We are listening to parents, schools, State agencies and other stakeholders, and we will work with you to continue to offer schools additional flexibility as needed as they implement the new meal patterns. By using the flexibility on grain and meat portion sizes, schools are coming into compliance with the new meal pattern this year, including calories, while continuing to maintain student acceptability. Many schools are meeting the standards and are

receiving the additional performance-based reimbursement provided by the Healthy Hunger-Free Kids Act of 2010 (HHFKA).

USDA will continue to monitor the implementation of the new requirements and provide ongoing technical assistance to address challenging issues for schools. Additionally, the availability of funds for school equipment is also vital in helping schools meet the new nutrition standards. We believe grants for equipment upgrades can significantly improve nutritional quality of school meals.

Mr. Aderholt: With more regulations on the horizon that will set nutrition standards for all foods sold in schools, often referred to as "competitive foods," as well as the full implementation of the requirements for the school breakfast program, have you thought about delaying implementation of these regulations until schools adjust, if they can, to the current requirements they are facing?

Response: Changes to the School Breakfast Program are being phased in gradually over a three-year period beginning next school year. Breakfasts under the new requirements will have more fruits, whole-grain rich items and fat-free or low-fat milk. As we have done with the meal standards for lunch, USDA will continue to provide States and schools with training and technical assistance as they implement these new requirements over the three-year period. In the case of the "competitive foods" regulations, it is important to note that at least 39 States have already adopted some kind of competitive foods standards. The industry has also begun providing healthier snack foods to schools, including many products that already meet the proposed standards. USDA's proposed rule builds on these voluntary efforts by establishing a consistent national baseline that will allow every student to enjoy the benefits of healthy snack food choices while providing greater certainty for food and beverage companies.

As with all changes, schools experienced a transition period in the implementation of the new meal standards for lunch. We are pleased with the success thus far and see schools successfully adjusting to the change. To help schools make the transition to the new meal pattern requirements, USDA provided flexibility on grain and meat portion sizes for this school year and school year 2013-2014. We understand the need for longer term guidance, and are currently considering options for addressing this flexibility beyond next year. We welcome input from a broad range of program stakeholders and interested parties regarding the impact of this flexibility.

Mr. Aderholt: How do you expect schools are going to survive economically if paid participation continues to decline, particularly once the breakfast requirements and pending competitive food requirements go into effect?

Response: The Healthy, Hunger-Free Kids Act of 2010 and subsequent rulemaking has dramatically improved the nutrition environment in schools. New school meal patterns for lunch went into effect at the start of school year (SY) 2012-2013. Any changes to the foods provided or the method of preparation may have a short-term effect on the increasing or decreasing acceptance of school meals, but there is no expectation that there will be lasting negative participation impacts.

As of January 2013, overall school lunch participation stands at 98 percent of the level recorded in January 2012, prior to implementation of the

new standards. This is up modestly from September, when participation was less than 97 percent of the level from the previous year. Paid lunch participation in January 2013 is 92 percent of January 2012 participation, but it too is stable, and may be showing signs of modest recovery since the start of the school year. Importantly, lunch participation by students eligible for free meals is up this school year compared to last year, indicating broad acceptance of the new meals by the single biggest subgroup of school meal participants. And school breakfast participation, consistent with a long term trend, continues to increase.

HHFKA is also generating new revenue for schools. Through HHFKA, schools serving meals that meet the new standards are now receiving an additional 6 cents per lunch, the first real increase in 30 years. In addition, the HHFKA's paid lunch and competitive food pricing reforms help ensure that the revenue from these sources are properly aligned with costs. Both of these measures will assist schools with the implementation of new standards for school breakfast, the most significant of which do not take effect until SY 2014-2015. These new revenues will also assist schools in their implementation of Federal competitive food standards. Schools in at least 39 States are already putting these resources to work in support of their own voluntary standards.

#### IMPROPER PAYMENTS

Mr. Aderholt: In March, the Inspector General released a report on USDA's compliance with the Improper Payments Elimination and Recovery Act. While the department's overall error rate fell from 5.37 percent in 2011 to 5.11 percent in 2012, there are still significant problems. For example, USDA has some high-risk programs that did not comply with the Act for a second year in a row. Under the Act, when a program does not comply for more than three years in a row, the agency is required to propose statutory changes to bring the programs into compliance. What is USDA doing to bring these programs into compliance? What is USDA doing to reduce improper payments?

Response: USDA continues protecting the integrity of our programs while working to minimize the impact of funding reductions on our ability to provide oversight. Through a range of activities and initiatives, agencies are working to bring programs into compliance with the Improper Payments Elimination and Recovery Act (IPERA) and reduce improper payments.

In the Food and Nutrition Service (FNS), work is underway with State partners in the National School Lunch (NSLP) and School Breakfast (SBP) Programs to develop initiatives and practices that will ensure program integrity while protecting program access for children in need and minimizing administrative burdens on State and local governments. The Farm Service Agency (FSA) is engaged in a number of corrective actions that include administrative controls, training of field personnel, and enhanced use of information technology. The Risk Management Agency (RMA) is improving its crop data bases to catch errors before payments are made. To reduce improper Rental Assistance (RA) payments, the Rural Housing Service (RHS) supports training for property managers and borrowers and will begin using various data bases through the Bureau of Public Debt this summer to identify potential problems. More detailed information on agency efforts already underway and planned initiatives to reduce error rates in seven programs that were non-compliant for a second consecutive year is provided for the record.

[The information follows:]

Food and Nutrition Service (FNS):

The Office of Inspector General (OIG) audit report on the FNS Child and Adult Care Food Program (CACFP) acknowledges the need to develop a comprehensive estimate of improper payments in the program as a whole. FNS measures error in the Family Day Care Home (FDCH) component of the program, which is potentially high risk. OIG noted that FNS does not yet have a cost-effective method to estimate improper payments for CACFP and that FNS plans to have an estimate by the end of FY 2017. To further enhance the existing error measure in FDCH, the agency is conducting research to assess the feasibility of using parent recall interviews to develop national estimates of meals claimed in error.

Since error rates in NSLP and SBP are based on estimates from a 2005 study, it is difficult at this time to ascertain recent gains USDA and our State partners have made in Child Nutrition program improper payments. FNS launched a study in 2012 to update the NSLP and SBP improper payment rates and will have results in 2014. FNS expects that the efforts undertaken since 2005 will be reflected by an improvement in error rates. The 2014 Budget request includes over \$3 million to reduce erroneous payments through training, technical assistance, and oversight.

Farm Service Agency (FSA):

For the FY 2012 reporting cycle, FSA identified seven programs as susceptible to significant improper payments. Two of these, the Noninsured Crop Disaster Assistance Program (NAP) and the Direct and Counter-Cyclical Payments Program did not meet their annual reduction targets and were thus not in compliance with IPERA. For NAP, this was the second consecutive year of non-compliance.

FSA is taking the following corrective actions in FY 2013:

- o Develop comprehensive internal control and quality assurance processes and systems as outlined in its FY 2012-2016 Strategic Plan.
- o Continue integrating individual performance results related to reducing improper payments into employees' annual performance ratings.
- o Provide improper payment training to field personnel on control procedures and potential risks of non-compliance, with tailored training targeted to field offices where improper payments were identified, by September 30, 2013.
- o Issue additional notices and handbook amendments to field office strengthening and reinforcing program policies and procedures by September 30, 2013.
- o FSA is in final stages of migrating NAP to a fully integrated web based process. The last web based software piece is expected to be released by early May. This will enable FSA to establish more validations through the entire NAP application process which will decrease county office processing errors.

Risk Management Agency (RMA):

RMA continues to focus on and improve improper payment rates in the Federal Crop Insurance Corporation (FCIC) program fund and relies heavily on technology to reduce improper payments. Improved data bases along with additional edit checks will catch errors before payments are made. The use of precision agriculture technology to gather data on crops planted and harvested will also assist by improving record collection. In 2012, RMA and FSA undertook efforts to improve data sharing and data reconciliation between the agencies. This effort has led to improved use of common land unit (CLU) data, a reduction in acreage reporting dates from more than 70 to just 15, and other improvements which has decreased misreporting of acreage and production information and improved our use of data mining to reduce improper payments.

Rural Housing Service (RHS):

Rural Development's RHS will take the following actions:

- o Deputy Administrator of Multi-Family Housing Programs will facilitate monthly meetings with the State and area office program areas to discuss any additional action necessary for senior management to address accountability and program administration for improper payments and unauthorized assistance.
- o State Office Directors and program managers' performance plans will include appropriate performance elements regarding Improper Payment Information Act (IPIA) and recovery of unauthorized assistance. It will be implemented by September 30, 2013.
- o The National Office staff performance plan agreements contain position-corresponding mission-area strategic objective element goals and priorities, and are incorporated into each manager's performance plan. For staff managing the RA program, appropriate performance elements regarding IPIA and recovery of unauthorized assistance are included.

RA is in a pilot program with the Office of the Chief Financial Officer for a Recovery Audit to identify improper payments which has been underway since FY 2012. This pilot has just begun to identify potential improper payments that need collection and follow-up action will begin soon. In addition, as part of the FY 2013 and 2014 President's budgets, USDA has proposed legislation that would provide access for RHS single family and multifamily programs to the Health and Human Services' National Directory of New Hires database, which would enable property managers to verify applicant and tenant employment and to determine when an existing tenant's employment status or income level has changed.

## IMPROPER PAYMENTS - SCHOOL LUNCH/BREAKFAST PROGRAMS

Mr. Aderholt: The National School Lunch Program has an improper payment rate of 15.53 percent and the School Breakfast Program has a rate of 25.18 percent. This is unacceptable. USDA should be taking action and proposing legislation if necessary to dramatically reduce these rates. What is the cause of these very high rates? What is USDA be doing to lower the rates? Are you and other Food and Nutrition Service leaders engaged in this effort? The audit report states that "... benefit providers simply do not have the capacity to develop robust accounting processes". If they cannot account for their expenditures, how are they delivering the program?

Response: Improper payments in the school meal programs are a serious concern and the Budget requests over \$3 million to reduce erroneous payments through training, technical assistance, and oversight.

The estimates for improper payments in the school meal programs rely on data collected in School Year (SY) 2005-2006. They do not reflect the impacts of recent program improvements intended to reduce improper payment rates.. Data collection to update the previous study with SY 2012-2013 information is nearing completion and results should be available next year.

FNS has been working to reduce errors for several years, and the Healthy, Hunger-Free Kids Act of 2010 provided new tools in this effort. Specifically, FNS has:

- reduced the States' program oversight review period from five years to three, and revised our oversight review processes;
- awarded grants to support additional State oversight efforts in high risk school districts;
- clarified schools' ability to increase verification "for cause;"
- strengthened direct certification efforts;
- proposed a rule to improve the accuracy of application-based certifications; and
- Begun developing a rule to strengthen penalties for serious rule violations.

We believe FNS' efforts since the last improper payments measure will result in an improvement to the improper payment rate when a new study is completed.

#### ROLE OF USDA IN THE GROWTH OF TRADE

Mr. Aderholt: Against the backdrop of a very poor economy in the past four years, we can take pride in the positive impact of U.S. agricultural exports. As your testimony notes, U.S. agricultural exports have exceeded \$478 billion over four years and they are on track to set a new record this year. This is the second year in a row when there does not appear to be any new efforts, initiatives or plans by USDA to do more for U.S. agricultural exports. Just last month, OIG released a report on the matter of Foreign Agricultural Service performance and said that FAS' performance measures were not outcome-based and do not show how the U.S. is performing in a given market compared to its competitors. Does USDA have a recent comprehensive plan or strategy for competing in the global market place against the likes of the Chinese, Brazilians, Europeans, or other countries that focus on increasing greater market share on behalf of their producers? If so, how are you utilizing resources to support this strategy?

Response: The information is provided for the record.

[The information follows:]

USDA does have a strategy to compete in the global market place. The Foreign Agricultural Service (FAS) Strategic Plan for 2012-2016 specifically addresses growing exports through three "pillars": trade promotion, trade policy and trade capacity building. On an annual basis, FAS develops Country Strategy Statements, which specifically address how to increase exports to

over 60 countries. Based on the strategies, we develop targeted plans where we believe we can make the most impact in any given year.

In its report, OIG had one finding, that FAS is able to "better align goals and performance measures within its strategic framework," and included five recommendations to meet this finding. One of OIG's recommendations was to use market share as a performance measure, but OIG recognized that U.S. market share in any given economy is influenced by many factors. FAS agreed with OIG that there could be additional means to more clearly depict the whole picture of how FAS actions are affecting the global market for American agricultural goods and that changes in U.S. market share are an outcome-based measure that could be of great use. FAS relies on its worldwide network to preserve the value of U.S. trade through frequent communication with private sector stakeholders, and formal WTO notification procedures to monitor foreign trade and regulatory actions that have the potential to affect trade. Also, FAS played a leading role in negotiations and trade agreements with Korea, Colombia, and Panama helped to provide American agriculture with improved access to nearly 100 million consumers, and is expected to expand U.S. agricultural exports annually by more than \$1.9 billion (value in 2013 = \$8.3 billion; 2014 = \$8.5 billion; total expansion = \$0.2 billion). OIG also recommended that FAS include performance measures in its annual Country Strategy Statements (CSS), which FAS is presently undertaking. (CSSs are submitted annually in the spring, so they are being finished now.) OIG also recommended showing strong link between the billions of dollars of agricultural exports and rural job growth, and FAS will be requesting information from the Economic Research Service to demonstrate this link. (The OIG responded that FAS should include other data sources.) Overall, the report was very positive and FAS has and will implement the recommendations.

Mr. Aderholt: What in particular is USDA doing in FY13 or FY14 and beyond to become more active on behalf of U.S. interests overseas and beyond your current technical analysis or assistance?

Response: The past four years have been among the best for agricultural exports. USDA can point to many success stories that demonstrate the role that we played. From Colombia to Korea to Panama, USDA is identifying new opportunities for American exporters. USDA is also engaging in the Trans-Pacific Partnership and US-EU Trans-Atlantic Trade and Investment Partnership to capture opportunities for our exporters. USDA has also reached out to cities and counties through the Council of Mayors and National Association of Counties to identify new exporters. Over the last two years we have been honing our strategy to ensure that our programs directly support our strategies. Simultaneously we are investing better systems to ensure we are using our resources as effectively as possible we are investing in education on new technologies and electronic certification systems to facilitate the safe and efficient trade of our products. From our attaches overseas, to our market access programs through trade agreements, to reverse missions to capacity building programs, we use every tool available and will continue to do so in FY 2014.

Mr. Aderholt: USDA likes to talk a great deal about the growth and overall success of U.S. agricultural exports. However, USDA's February ERS Report on the agriculture trade predicts that U.S. ag imports will also be at record levels. The report estimates that the ag trade balance will be its lowest since 2009. What can USDA attribute this trend to and should U.S. producers be concerned about a loss of domestic share?

Response: The agricultural trade surplus is forecast at \$29.5 billion in fiscal year (FY) 2013, which is the fifth largest level ever recorded. This surplus has improved over the past several years increasing from under \$5 billion in 2005 and 2006. While exports are forecasted to reach a record in FY 2013, imports are also forecasted at an all time high. This is in part due to relatively high global agricultural commodity prices which impact not only U.S. export values but import values as well.

Much of the growth in imports over the past several years is focused on products that are not produced in the United States. Rubber, coffee, cocoa, and other tropical products have seen sharp increases in recent years. Other major import products include bananas and fruits and vegetables, some of which are imported on a counter-seasonal basis and do not directly compete with U.S. fruits and vegetables. In addition, last year's drought led to reduced exports of grains, which are expected to recover this year.

#### PARTNERSHIP FOR PUBLIC SERVICES RANKINGS

Mr. Aderholt: Secretary Vilsack "Cultural Transformation" initiative had many laudable goals such as equity of opportunity and empowerment. Another such goal was or is "Striving to make USDA a premier organization and model employer." Just two weeks ago, The Partnership for Public Service, a non-profit that has conducted a survey on the best places to work in government since 2003, found USDA to rank as one of the top five worst largest agencies. Specifically, the Department was tied with Labor for third worst behind Homeland Security and Veteran Affairs. What do you attribute these scores to? Does this reflect the low scores of a few agencies or are there some indicators of systematic problems? Since employee satisfaction and commitment are two necessary ingredients to developing high-performing organizations and attracting top talent, what are you and your leadership team doing in response to these results?

Response: I do recognize that it takes time for change initiatives to take effect, a challenge further exacerbated for USDA by organizational size and complexity. It is evident that it will take more time for our large and complex agency to reflect results in the Partnership for Public Service survey, but a variety of efforts are already effecting change within USDA.

I directed USDA to implement an internal accountability practice to enhance equity of opportunity and empowerment while striving to make USDA a premier organization and model employer. On a monthly basis, each Mission Area, Agency and Staff Office submits data on subjects such as workforce diversity, veteran employment, disability employment, hiring reform, and telework participation to the Office of Human Resources Management (OHRM), which analyzes it and prepares a report. I use this report in assessing performance of senior leaders and it allows us to document significant improvements across the board. The milestones and metrics in this report are specifically selected to measure progress toward increasing employee diversity and engagement, and address areas such as diversity of hiring trends, two-way communication, performance management, leadership and employee development, hiring reform, equal opportunity accountability, labor-management collaboration, and promotion of telework to increase productivity and work life balance. The performance measures of senior executives, managers, and supervisors include employee engagement and I hold them accountable for the results. USDA has documented significant progress in the number of employees with Individual Development Plans (96 percent), telework eligible participation (75 percent), and two-way communication in every

Mission Area. Our efforts are reflected in the 2012 Federal Employee Viewpoint Survey (FEVS) results, which show that on items that relate to diversity, supervisory implementation of performance management, and telework participation, USDA was rated significantly above the government-wide average.

USDA is continuing to implement and adjust accountability measures, enhance communications and outreach, engage employees, and internally measure progress toward our goals of improving employee satisfaction and commitment. We are documenting the improvements being made at USDA and continue to record compelling evidence of our progress.

#### MODERNIZE AND INNOVATE THE DELIVERY OF AGRICULTURAL SYSTEMS (MIDAS)

Mr. Aderholt: The House Report accompanying the FY 2013 House Appropriation Bill (H.Rept. 112-542) clearly stated that the Committee viewed the MIDAS initiative as the top administrative priority for USDA and this position remains unchanged. In delivering vital mission-based services directly to farmers and ranchers, this program will likely represent the greatest efficiency improvement amongst any other streamlining effort at USDA. After inclusion of the FY 2013 appropriation, Congress will have invested an estimated \$300 million in the timely and successful implementation of MIDAS at the Farm Service Agency. Is the MIDAS on schedule to launch the first live use of the system this fiscal year?

Response: MIDAS is on schedule to launch April 22, 2013 to a small group of "super users". After a brief period of field testing by this group, MIDAS will be pushed out to the more than 8,000 remaining FSA field employees during the subsequent weeks. Further updates to the system will be released later this year to expand the system's capabilities. Producers will benefit from simpler farm program reporting and fewer forms and redundant data collection as well as the ability to update producer or farm information at any county office. The first version of MIDAS provides the FSA Service Center personnel in State and County offices:

- The ability to manage Farm, Tract and Field data all in one integrated system;
- Fact Sheets that tie owner/operator to land data in one view;
- The Farm Records system embedded with Geospatial Information Systems (GIS) visualization; and
- Farm Records maintenance ability using GIS integrated with the MIDAS software. This allows a user to edit Common Land Unit boundaries, conduct farm/tract re-constitutions and other related work that used to be done in separate, disparate systems.

Mr. Aderholt: The Administration is proposing a decrease in base funding for this project of \$21.1 million for the MIDAS initiative. Can you confirm that this proposed reduction will not negatively affect the current schedule and spending plan? In other words, can you assure us that you will not come back to the Committee later in the year and ask for a lesser reduction?

Response: The MIDAS initiative will operate within the President's Budget FY 2014 level. A portion of the available resources will likely be used for ongoing enhancement of the system. FSA encountered some challenges in building aspects of MIDAS, and this led to modest schedule delays in FY 2013. FSA is now analyzing initial cost estimates and schedules for the initiative to qualify the remaining work to achieve the system's full capabilities. At this time, we anticipate that FY 2014 work needed to achieve full system capability will be accommodated within existing resources. However, what is unknown at this time is the extent of the system enhancements that may be required to implement the next Farm Bill.

Mr. Aderholt: Looking at the current timeline, when does USDA expect to have everything in place for this system so that farmers and ranchers will be able to do most, if not all, of their interaction with USDA from their homes and offices? On a related note, when might we start to see measurable savings from the implementation of this system?

Response: The MIDAS functions in Phase One will simplify the process of viewing and updating producer farm records and aerial maps through Geospatial Information Systems (GIS). Further, it will help the agency build better business partnerships and fiduciary records and improve industry-dependent crop tables. Over the next few months, additional phases will be introduced that will improve acreage reporting, marketing assistance loans and other management and functional priorities.

As MIDAS is fully implemented, customers will experience better and faster service when they visit an FSA office. In addition to this contributing to better service being provided to farmers and producers, this will also improve time spent servicing customers and provides associated savings through the efficiencies gained. They will be able to report significant amounts of information about their farm or ranch once, not multiple times for multiple programs. MIDAS improvements also allow producers to conduct business in any FSA service center because all FSA offices will be able to download and share information.

Through MIDAS and other initiatives, FSA will continue to improve customer service through improved online access. This includes a customer-facing portal that allows at-home access for producer reporting that will be introduced in an additional phase. As part of the re-baseline package for MIDAS, FSA will clarify the scope and timing of the customer facing portal and the level of farmer/producer access. However, MIDAS is currently focusing on the integration of core functions (customer data, farm records, acreage, financial, etc.) and deploying benefit programs before extending additional capabilities to farmers, producers and ranchers.

#### BIOTECHNOLOGY REVIEW IN APHIS

Mr. Aderholt: Over a year ago, USDA announced process improvements to the biotech petition regulatory review program intended to significantly reduce the time for review and approval of new traits in seed products. Despite our fiscal challenges, Congress recognized the importance of supporting APHIS and the corresponding potential for biotech crops by providing the Agency with a \$5 million increase in FY 2012. Until a couple of weeks ago, however, USDA has made few announcements on moving anything through the regulatory process or showing any concrete improvement in reducing timelines. When will we expect to see more results from this revised process and the increased investment?

Response: Among the first improvements to be implemented under the Blueprint for Stronger Service is process re-engineering for the Biotechnology Regulatory Services function. All petitions received after March 2012 are following the new petition process and we estimate that these new process improvements will allow determinations of non-regulatory status in approximately 14 to 16 months. In streamlining the review for biotechnology petitions, USDA implemented a structured process, including standardized timelines for each step. We are already seeing progress related to the changes. The validation and acceptance stage for incoming petitions previously took a year on average but are now completed in 90 days. Plant pest risk assessments previously took an average of 15 to 16 months, but now take, on average, 70 days. Evidence that these process improvements are yielding results include an announcement in February 2013 of the extension of non-regulated status for a genetically engineered crop under an expedited review process for plant lines that are similar to those previously reviewed. Additionally, during April 2013, USDA plans to announce the availability of a petition for public comment on a proposed determination of non-regulated status for alfalfa engineered to have lower lignin levels to improve its digestibility.

USDA is also developing environmental assessments for several additional petitions, some of which are taking slightly longer than projected mainly due to the volume of petitions at this step in the process. However, APHIS expects to publish the first preliminary determinations for products under the improved process this spring. USDA fully expects to meet its new timelines once the petitions received before the new process was implemented have completed the process. A more predictable timeframe enables developers to bring products that are no longer regulated to market more quickly and provides farmers with more choices and access to new technologies sooner.

Mr. Aderholt: Do you expect that this new process will help U.S. producers maintain a competitive advantage over U.S. competitors in overseas markets?

Response: The new process will help companies bring products to the U.S. marketplace sooner. New genetically engineered crops must still undergo regulatory reviews in other countries. However, in cases where trading partners prefer that newly developed crops have completed USDA reviews before the foreign country's government begins its review, the faster timelines will allow these products to start the review process sooner in these other countries.

Mr. Aderholt: One reason for the long review times in this process goes back to the environmental impact assessment. I understand last year you made a commitment along with then-EPA Administrator Jackson to improve coordination between the two agencies.

Has USDA made any improvements in this part of the process with EPA so that thorough reviews are performed in a quicker manner? Are the two agencies working better than they had before?

Response: USDA and EPA are working closely to enhance coordination of regulatory reviews. In December 2012, USDA and EPA held the first of regular discussions to lay out a strategy to improve collaborations and coordination between the two agencies for the review of new uses of existing herbicides (under EPA's authorities) and genetically engineered crops resistant to those

herbicides (under USDA's authorities). As a result, the two agencies have developed joint timelines for reviews that highlight critical information sharing points and public engagement that would increase the likelihood of synchronous approvals. EPA and USDA are piloting this improved process for a number of products currently under review.

#### PROPOSED SAVINGS AT THE FARM SERVICE AGENCY

Mr. Aderholt: USDA's budget proposes a reduction of \$28 million in operating costs at the Farm Service Agency. The savings are expected to come from decreased travel, postage, and contract services. This Committee strongly endorses this type of proposal, as it is an indication that the Department and Agency have thoroughly examined its current expenditures on goods and services and found even more ways to save vital taxpayer dollars. Can you explain in more detail what the Agency is doing to arrive at these savings and what is different about these savings versus what you have done over the past 2 to 3 years? The services provided by FSA to our constituents are often critical to the success of their farming and ranching operations. When field offices experience change of any type, we are often the first to know, especially if they believe the change impacts service delivery. Can you give us a general sense of where the savings will come from? Specifically, provide us a breakdown between savings at headquarters and savings in the field operations.

Response: The reduction of \$28 million in operating costs reflects the difference between the FY 2014 President's Budget and the FY 2013 annualized continuing resolution. When comparing the FY 2014 President's Budget with the FY 2013 enacted level, operating expenses increase about \$8 million. FSA made significant reductions to all of the discretionary operating expenses in FY 2013 in order to operate within the post sequester and rescission level of funding. FSA is ensuring that limited operating funds are distributed equitably throughout all levels of the Agency and will continue to make improvements in operations to stretch funds as far as possible.

#### COUNTRY OF ORIGIN LABELING (COOL)

Mr. Aderholt: Just last month, the Agricultural Marketing Service issued a proposed rule on changes to the mandatory COOL regulations. We understand that a final rule must be in place by May 23, 2013 to be in compliance with a World Trade Organization (WTO) decision prompted by complaints from Canada and Mexico. When Congress first passed COOL legislation over ten years ago, the intent was to provide consumers with additional information to help them make purchasing decisions. There have been a number of delays and changes in this program over these ten years. The changes proposed in March of this year may have a major impact on meat and poultry production as well as an economic burden on retail establishments with increased costs for new labeling and packaging. We are aware that you cannot comment on the likely contents of the final rule, but can you tell the Committee what other options are available to minimize the impact of this rule on U.S. producers and retailers while at the same time preventing the Canadian and Mexican governments from retaliating against U.S. exports at the WTO?

Response: We are confident that the proposed changes will improve the overall operation of the program while also bringing the current COOL requirements into compliance with the World Trade Organization (WTO) ruling. USDA is currently reviewing the comments received in response to the March

12, 2013, proposed rule. As you noted, I cannot get into any specifics because we are in the rulemaking process, but we will take whatever steps we can to minimize the burden on the regulated entities while still meeting the intent of the statute and our international trade obligations.

Mr. Aderholt: Does USDA believe there is an inconsistent policy here where the labeling for an animal based product must state where the animal was born, raised, and slaughtered if other such products are simply required to declare where a product is imported from?

Response: USDA does not believe there is an inconsistent policy for labeling meat cuts. For imported meat covered commodities, the COOL regulations retain the requirement to label products with the origin information as declared to Customs and Border Protection under the Tariff Act. When meat is produced in the United States from an animal that has been born, raised, and/or slaughtered in more than one country of origin, however, the COOL statute does not allow such meat to be labeled with a single country of origin. Instead, the statute lays out three categories of labeling that require several countries of origin to be declared on the label for such covered meat commodities to reflect the different countries in which the animal was born, raised and/or slaughtered.

Mr. Aderholt: Does USDA have information to show that U.S. consumers use the country of origin labels for meat and poultry and for other products to make their purchase decisions?

Response: USDA received over 450 comments, including four petitions signed by more than 40,000 individuals, which expressed their opinion that the proposed rule makes labels more informative for consumers. Many of these commenter's referenced a number of surveys that have been conducted that illustrate that many consumers are interested in knowing where their food comes from.

#### AVIAN HEALTH

Mr. Aderholt: Your budget notes that the poultry industry is valued at \$35 billion or more while some economists have calculated the total estimated impact on the U.S. economy at around \$257 billion. Not only is this industry a vital part of our national economy and the economies of my district in northern Alabama, it provides many Americans and people across the world with an affordable source of valuable protein. Can you explain to the Committee why you the President's budget proposes a decrease of \$2.5 million, especially in light of continued incidents of High and Low Path Avian Influenza in places like our neighbor Mexico and the Avian Influenza outbreak in China that has been linked to 10 deaths or more?

Response: USDA proposed the funding reduction due to the completion of one-time investments and better knowledge of the disease. Greater understanding of bird movements and migrations, improvements to response and containment activities, and the completion of preparedness projects allowed us to decrease our spending in international and wild bird surveillance activities without posing additional risk to our domestic poultry industry. The requested reduction will not impact our domestic surveillance efforts in commercial poultry, which continue to meet requirements of our trading partners. USDA continues to work closely with stakeholders to address emerging issues and ensure our program activities are sufficient to protect the health of U.S. poultry.

Mr. Aderholt: What is USDA doing overseas to bolster the overall effectiveness of U.S. avian health programs overseas and opening up more foreign markets for U.S. poultry by going after non-tariff trade barriers?

Response: USDA overseas officials facilitate agricultural trade, maintain contact with agricultural officials where they are posted, monitor agricultural health, and lead efforts in sanitary and phytosanitary standard setting. USDA works closely with the U.S. Trade Representative's Office to maintain a coordinated, strategic approach to resolving plant and animal health issues that affect U.S. exports. USDA maintains a presence in Asia not only to provide points of contact for U.S. agricultural interests and also to help collect relevant real-time information such as updates on avian health. Our office located in Bangkok, Thailand, specifically focuses on avian health in Southeast Asia's lesser-developed economies. USDA also conducts surveillance, training to support capacity building, and oversees monitoring, epidemiology, and diagnostic testing throughout the region.

To open markets for U.S. poultry, USDA has negotiated and renegotiated sanitary protocols for trade of various poultry and poultry-related products. When markets have been abruptly closed to certain U.S. states or regions in response to low pathogenic avian influenza (LPAI) detections, USDA provides science-based rationales for reopening the market, coordinates informational visits and exchanges, facilitates the U.S. industry's access to decision-makers, and participates in continued negotiations. In FY 2012, USDA retained and expanded \$200 million worth of U.S. poultry exports around the world.

#### BLUEPRINT FOR STRONGER SERVICE

Mr. Aderholt: USDA claims it has saved \$700 million in federal tax dollars through the Blueprint for Stronger Service. The Blueprint had a list of recommendations, including 133 recommendations that affirmed processes already in place, 27 initial improvements, and others to be implemented over the longer term. Everyone on this Subcommittee supports USDA's proactive steps to reduce spending, streamline operations and cut costs. However, some of the so-called savings were due to actions by Congress, and I question whether it is accurate to attribute them to the initiative. For example, the 2008 farm bill created the position of the Chief Scientist and the National Institute of Food and Agriculture. Also it seems questionable to me to claim a savings from reductions in staff over a ten-year period. Please tell us about the 27 initial improvements. How are they improving the management of USDA? How much is each of these improvements saving? Where are these savings identified in the FY 2014 budget request?

Response: The Blueprint for Stronger Service is the culmination of efforts to create flexibility and enable the Department to better respond to its customers while reducing costs. Over the last three years, the Department has been able to achieve over \$700 million in savings and efficiencies as a result of these efforts. These results have come from a diverse set of initiatives, including office closures, strategic sourcing, process improvements, organizational realignments, and travel reductions, among others.

Some of these initiatives did result from or were implemented in anticipation of Congressional action. The Department identified 379 recommendations for improvement that included a range of items from process improvements to organizational and staffing changes. Within these

recommendations, USDA initiated implementation of 27 initial improvements across the seven administrative functional areas under review - civil rights; human resources; information technology; finance; security; procurement; and property management. These initial improvements included the realignment of agency civil rights directors and staff so that they report directly to the agency head; strategically sourcing the Department's wireless device contracts to create efficiencies; creating a USDA security council to coordinate communications and preparedness for security matters; and establishing a USDA training consortium to better coordinate employee training to leverage limited training resources. Overall, these improvements have enabled USDA agencies to better coordinate their administrative activities, thereby limiting duplication and leveraging limited resources.

The savings and efficiencies resulting from these administrative improvements and the other Blueprint initiatives are included within the agency 2014 budgets across the various accounts and budget lines. These improvements create flexibility in the program accounts and reduce expenses for overhead and administrative activities that are included in each of the accounts. As a result, the agencies are better able to address the budget challenges while continuing to deliver high levels of program activity and services to customers.

#### INFORMATION TECHNOLOGY SECURITY

Mr. Aderholt: This Committee takes very seriously USDA's long-standing problems with the security over its IT systems and the personal, financial, and trade secret data held by these IT systems. For over 10 years and as recently as a few months ago, USDA's own Office of Inspector General (OIG) has issued numerous reports critical of the security operations at the Office of the Chief Information Officer (OCIO). In August of last year, OIG clearly noted that OCIO had not spent appropriated funds in conjunction with how the Department requested the funds. While the jury is still out, we do recognize the efforts of the acting Chief Information Officer to address these concerns. How have you demonstrated that IT system security is one of your top priorities? Please provide specific examples of your involvement on this issue.

Response: Security of information generated by USDA employees and those we serve across thousands of offices and dozens of countries is a critical priority. The advent of Information Technology tools to manage that information has unquestionably increased productivity, but over time also has created new vulnerabilities related to cyber attacks by those who wish to disrupt efficient operations of USDA programs or steal or destroy our data. The CIO has my full support to ensure that we are successful in meeting our security objectives. I am going to ask the Office of the Chief Information Officer to provide more specific information for the record.

[The information follows:]

From the 2008 security breaches came the proposal to establish a security operations presence at the Department level beyond the traditional policy compliance role, for the first time establishing a comprehensive view of cyber security threats and a single point of contact for managing and reporting cyber incidents rather than depending on individual component agencies to find and fix their own issues. As the Agricultural Security Operations Center (ASOC) continues to mature its governance, staffing, operational processes and tools, it will continue to serve USDA well.

In addition to the ASOC effort, USDA has made several advances to make our data and systems safer and address the vulnerabilities created by the human beings who use those systems. In fiscal year 2011, USDA reached a major milestone when 27 separate electronic mail systems, the single largest source of attempted cyber security attacks, were merged into one system, allowing a single approach to security against viruses and malware, in addition to providing a more efficient means of communicating with all employees. Further, all of USDA's internet traffic now flows through two Trusted Internet Connections, also allowing a consistent and comprehensive security approach. Our domain name servers now are compliant with government-wide standards.

The President's budget requests level funding for OCIO's cyber security appropriation in 2014. We believe we can do more by making better use of available funds appropriated both to the OCIO and to the agencies and other staff offices for security purposes. For example, we awarded an enterprise-wide contract last November for managing mobile devices that includes a single point of contact for wiping tablets and cell phones clean of any government data by calling a single phone number, rather than handling that task multiple times over.

To keep mobile equipment safe and limit the number of losses, our annual security awareness web-based training will be supplemented by additional training aimed at the "ounce of prevention" - taking care of mobile equipment, handling suspicious messages without opening attachments, not bringing in malware contained on unapproved memory devices, not writing passwords on pieces of paper left near one's computer, and the like.

As a follow-on to the single electronic mail system, we are migrating agencies and offices to a single Active Directory and an Enterprise Virtual Private Network, which provides a single, more easily supported method for secure remote access to the network for employees on travel or teleworking from somewhere other than their official duty station. This will be a priority for the remainder of the current fiscal year and into 2014. In addition, we are focused on completing our transition from a three-year certification process to risk-based continuous monitoring of systems and applications, development of new program metrics and key performance indicators; and more effective engagement between OCIO/ASOC and IT security and operations staff of USDA's component agencies and staff offices.

Mr. Aderholt: Since OIG had noted numerous cases of inefficient management of IT resources in the recent past, what is the Department doing differently now and in the near future to ensure that appropriated resources are managed more efficiently?

Response: USDA's Office of the Chief Information Officer (OCIO) has conducted significant efforts to ensure responsible management of IT resources. OCIO has restarted and enhanced its overall IT governance process to ensure that the entire IT project portfolio is earning value in terms of earned schedule, cost, and support of the mission. OCIO has also undertaken Mission Area and Agency portfolio reviews this spring, which look across USDA at both major and non-major investments.

Finally, in accordance with the Blueprint for Stronger Service - Administrative Solutions Project, OCIO and the Office of Procurement and Property Management have been working closely to identify strategic sourcing

opportunities. This new level of cooperation already has paid off, through such accomplishments as negotiation of lower prices on user licenses and avoidance of planned price increases for maintenance costs.

Mr. Aderholt: Have you considered providing the Chief Information Officer with more formal authority or support in particular circumstances to ensure that the OCIO can require Agencies to implement critical IT security measures in a much timelier manner? If so, please explain how.

Response: The CIO has my full support to ensure that we are successful in meeting our security objectives. However, before considering additional authorities, I expect the CIO to use authorities already available with regard to issuance of Departmental Regulations which, as OIG has noted in the past, have been lacking. Establishing of clear policies and standards across the Department is an essential first step in being able to hold individual Agencies and Offices accountable for their performance. OCIO is working closely with the agencies to establish policies and procedures on continuous monitoring and other priority areas.

#### LOAN GUARANTEE PROGRAMS

Mr. Aderholt: Over the past two years, the Federal Government has faced a number of high-profile bankruptcies and defaults, such as Open Range Communications, Range Fuels, Solyndra and Beacon Power, in its loan guarantee programs. Open Range and Range Fuels received guarantees through USDA. Despite these notable failures, USDA continues to make significant investments. In January 2012, you announced \$25 million guaranteed loan to Fiberight, LLC to build a biorefinery plant in Blairstown, Iowa, and \$232.5 million loan guarantee to ZeaChem Boardman Biorefinery in Boardman, Oregon. ZeaChem recently announced it was scaling back its operations because it failed to receive a bridge loan. Since this Committee does not make decisions on the parameters of these loan programs, my questions are not going to focus on whether the Federal Government should utilize loan guarantees to support renewable energy and telecommunications companies. Today, I am more concerned about how USDA is managing its programs and whether it is making good decisions with the authority it has. What due diligence does USDA conduct on these programs? How has the process been improved after these failures?

Response: As required by program regulations, proceeds from loans made by the Rural Utilities Service are disbursed on a reimbursable basis; this includes the loan made to Open Range Communications. Accordingly, Open Range was required to document that they had completed a "stage" in their build-out plan prior to receiving the loan proceeds for that stage. This process limits our exposure to loan losses since loan funds are only disbursed if the borrower can demonstrate progress. In addition, when the financial condition of Open Range began to deteriorate, further loan advances were suspended while the financial concerns were being addressed. Additional information is provided for the record.

[The information follows:]

The agency has made a number of significant improvements to the programs, which are presented below.

- Implementation of a multi-tier review process. Applications and their review now originate at the State Office by a team consisting of State

and National loan officers. Applications are then concurrently reviewed by the National Renewable Energy Labs, US Department of Energy, and USDA's Office of the Chief Economist. The last step in the review process is by the National Executive Loan Committee. This enhanced process allows us to identify any potential risks early on in the process.

- State office and National Office maintain frequent communication and consultation on each application.
- An independent application scoring group has been formed to thoroughly review each application.
- Debt service reserve. The Agency has implemented a requirement that lenders maintain a debt service reserve of between 6 and 12 months, depending on the specific project. This requirement represents an additional commitment on the lender's part.
- Credit rating. The Agency is garnering a second opinion by requiring, in the vast majority of cases, an independent credit rating on the project.
- Conditional commitments strengthened. As noted above, the Agency has incorporated outside reviewers who can identify any risks and those risks are mitigated in the Conditional Commitment.
- Risk compliance officer. The agency has set up enhanced monitoring of the loan guarantees it issues through the creation of a risk compliance officer who identifies any potential problems in a timely fashion.

#### Monitoring Process

The agency will hold meetings with the lender and visit the project site to inspect collateral at least annually, or more often as needed. During construction, the lender will ensure that the Agency is provided monthly reports documenting the use of the project funding until construction is completed. The lender must obtain and forward to the Agency the financial statements required by the loan agreement or the Conditional Commitment. Both quarterly and annual financial statements are required from the borrower which will be analyzed and summarized by the lender for Agency reporting purposes. The State RBS staff reviews all reports and then forwards the information to the Agency's Risk Compliance Officer (RCO) designated for the RBS Energy Division.

Mr. Aderholt: Since the Federal Government's return is not commensurate with the risk being assumed by taxpayers, how does USDA evaluate the risk of each project and the program? Since these industries are rapidly developing and the market is evolving, meaning that they could be obsolete in a few years, how does USDA judge the risk of default?

Response: The information is provided for the record.

[The information follows:]

RBS staff performs periodic reviews of lenders that obtain loan guarantees from the Biorefinery Assistance Program and other loan guarantee programs operated by the agency. The lender reviews ensure that the lenders are originating and servicing the loan in the manner prescribed in the regulation. This due diligence assists in mitigating the agency's risk. Regulations allow for the agency to provide up to a 90 percent guarantee on these biorefinery projects. Projects are evaluated on a competitive basis,

the primary criteria being the project's ability to succeed both technically and financially.

Technically, each project is evaluated to determine the qualifications of the individuals, advanced biofuel equipment manufacturers, the operator's experience, and the technology process strengths and weaknesses. Agreements and permits, component warranties, site utility infrastructure, transportation systems, land use, licenses, and environmental factors are all examined. A thorough analysis of the resource assessment, feedstock, technology, engineering, project development schedule, operations and maintenance is performed.

Financial analysis and stress tests are performed on the collateral, working capital, cash flow, and market prices. The goal of the financial analysis is to determine if projects can succeed in a competitive market.

The State Rural Business staff reviews all reports and then forwards the information to the Agency's Risk Compliance Officer (RCO) designated for the Rural Business Energy Division.

The RCO is responsible for monitoring portfolio risks using the reports provided by the Lender as well as other key industry information, which include analyzing industry reports and industry developments. The RCO provides a periodic summary and conclusion of impacts to the RBS Loan Committee.

In determining the risk of default, RBS evaluates the project's ability to succeed both technically and financially. With the assistance of program support staff, the Office of Chief Economist and National Renewable Energy Laboratory, we review environmental concerns, market conditions, and technical merit that affect the production, distribution and price of fuels and their relationship and impact on advanced biofuel production.

Mr. Aderholt: How does USDA ensure the programs are judged on their merit, including creditworthiness and risk assessment, and not on political factors? Are USDA's guaranteed loan programs the appropriate mechanism to encourage the development and deployment of new technologies when the market is sending other signals?

Response: Maintaining the integrity of the loan portfolio is one of USDA's top priorities. Projects are evaluated on a competitive basis, the primary criteria being the project's ability to succeed both technically and financially. Financial analysis and stress tests are performed on the collateral, working capital, cash flow, and market prices. The goal of the financial analysis is to determine if projects can succeed in a competitive market. State staff reviews all reports and then forwards the information to the Risk Compliance Officer (RCO) and the RCO is responsible for monitoring portfolio risks using the reports provided by the Lender as well as other key industry information, which include analyzing industry reports and industry developments.

Guaranteed loan programs are an appropriate approach for encouraging the development and deployment of new technologies. Guaranteed loan programs allow the Agency, lending community, and borrower/developer to participate in the project, leveraging their expertise and funding as well as sharing the risk. The Biorefinery Assistance Program is targeted at first-of-a-kind, commercial scale technologies. Accessing capital to fund a first-of-a-kind,

commercial scale project is often one of the biggest hurdles for development and deployment of projects. By providing guarantees, the government helps to mitigate this challenge while sharing the risk, in partnership with lenders, equity investors, and project developers. Guaranteed loan programs should be viewed as the most appropriate option for the government to work in partnership with private industry to encourage development and deployment of new technologies.

#### RENEWABLE ENERGY INITIATIVES

Mr. Aderholt: The Government Accountability Office (GAO) recently released a report on fragmentation, overlap and duplication in renewable energy initiatives, among other policy areas. GAO noted that USDA and the Department of Energy (DOE) programs could duplicate the financial assistance available and recommended that the departments formally assess and document whether the incremental financial support of their programs is really needed by applicants and to take this information into account in determining whether or how much support to provide. Does USDA coordinate with DOE on renewable energy programs? Have you directed USDA staff to address GAO's recommendation?

Response: USDA coordinates with DOE through weekly calls and senior management meetings coordinating the grant and loan funding of advanced biofuel biorefineries; and an agreement to use the National Renewable Energy Laboratory (NREL) to provide technical review of renewable energy system applications.

#### WOMEN, INFANTS AND CHILDREN (WIC) ELIGIBILITY

Mr. Aderholt: The Government Accountability Office (GAO) released a report on WIC entitled, "Improved Oversight of Income Eligibility Determination Needed." The report describes a policy called "adjunctive eligibility" which allows participation in WIC if one qualifies for other entitlement programs such as SNAP or Medicaid. The potential problem here is that, as the report points out, "13 states have increased SNAP income eligibility thresholds to 200 percent of the guidelines. For Medicaid, some states similarly increased income eligibility thresholds to 200 percent of the guidelines, while others increased thresholds up to 300 percent of the guidelines." USDA clearly states that qualification is supposed to be 185 percent or less of federal poverty guidelines. What regulatory changes will you consider to make the system equitable across all states AND in alignment with the Congressional intent of participant income equal to or less than 185 percent of federal poverty? Since we all paid our taxes yesterday, we can relate to the fact that the IRS does not ask where we live before figuring out how much we need to pay as part of our gross income. However, the GAO found great disparity amongst states in how they define income for a WIC family. GAO states, "As a result of the variation in income sources that are included when determining eligibility, one state could determine a family's income to be under 185 percent of the federal poverty guidelines while another state could find that same family's income to be over that level." How is this considered a fair system?

Response: The information is provided for the record.

[The information follows:]

The Child Nutrition Act of 1966, as amended by Congress, requires WIC State agencies to accept as income-eligible for WIC any applicant who documents that s/he is certified as fully eligible to receive SNAP, TANF, or Medicaid benefits; who is a member of a family that is certified as eligible to receive TANF; or who is a member of a family in which a pregnant woman or an infant is certified as eligible to receive assistance under Medicaid. While an individual who applies for WIC and is not receiving SNAP, TANF, or Medicaid may not be certified if the household income exceeds 185 percent of poverty, State and local agencies are required by law to consider recipients of these three Programs to be adjunctively income eligible for WIC even if their maximum standards are greater than 185 percent.

Regarding the variation in income determinations, Federal WIC regulations establish definitions of income and family, and mandatory exclusions from income that must be used by all WIC State agencies. This ensures that households (not adjunctively income eligible) with a gross income in excess of 185 percent of the Federal poverty income guidelines are not eligible for WIC benefits. As required by the Child Nutrition Act, WIC Regulations also provide for two optional exclusions for households of military service members. Such optional income exclusions are basic allowance for housing (BAH) received by military services personnel residing off military installations or in privatized housing whether on or off base; and overseas continental United States cost of living allowance (OCONUS COLA).

In April 2013, FNS issued updated guidance to State agencies to help standardize income eligibility determinations. The guidance consolidates policy memoranda issued over the past several years. Included in the guidance are various aspects of WIC certification, including, but not limited to: income eligibility guidelines, definition of income (including military income), determination of family/household income and adjunctive/automatic income eligibility, clarification on the use of "current" income, and the number of temporary certifications allowed when an applicant lacks necessary income documentation.

#### NUTRITION PROGRAM INTEGRITY

Mr. Aderholt: Your testimony states that the 2014 budget includes funds to expand existing SNAP integrity efforts to further reduce payment error, trafficking and other recipient and retailer concerns. Specifically how much you are requesting to strengthen program integrity efforts for SNAP, WIC and the Child Nutrition programs, and give us the details on how this money will be used?

Response: Rooting out waste, fraud, and abuse so that taxpayer dollars are spent appropriately is a top priority for this Administration. The 2014 Budget requests a \$26.5 million increase for integrity for SNAP, WIC, and school meal programs.

The information is provided for the record.

[The information follows:]

To further strengthen integrity efforts within SNAP, USDA is requesting an additional \$18.5 million.

Currently, USDA relies on a Federal staff of roughly 100 persons to oversee the more than 250,000 retailers that are authorized to participate in

SNAP. USDA proposes the increase to hire additional staff to focus on SNAP retailer and recipient integrity concerns. This includes:

- Data analysts to help USDA further its detection of retailer fraud through monitoring electronic transaction activity
- More investigators in the field conducting undercover operations
- Quality assurance staff to audit and improve internal operations
- Specialists to enhance State oversight by expanding management evaluations of State program administration
- Data experts that can help States take advantage of analytical tools and best practices to fight recipient fraud

USDA will continue to focus on SNAP retailer integrity efforts through the use of advanced technologies and services. This includes:

- Integrating existing USDA processes with data broker services for more comprehensive background checks on retailers.
- Implementing a risk-based data approach that identifies retail applicants that present the highest integrity risk.
- Using data broker services to improve overall effectiveness.
- Expanding the number of on-site store visits.
- Enhancing the retailer service center in order to improve application screening processes.

USDA plans to incentivize and strengthen State recipient integrity efforts. This includes:

- Assisting States to promote anti-fraud efforts, utilizing technology and advanced analytical approaches.
- Developing and deploying standardized risk based recipient fraud detection models.
- Identifying and sharing best practices to root out waste fraud and abuse among States, private industry, and Federal entities.

USDA proposes an increase of about \$1 million to support robust program integrity efforts in WIC. These funds would provide direct technical assistance to individual WIC State agencies to ensure the effectiveness of participant certification and vendor management policies. The funds would be used to look at competitive price criteria and maximum allowable reimbursement rates, sponsor National, regional and State training and information conferences to facilitate the exchange of effective vendor authorization and investigation strategies, as well as strategies to identify and prevent participant abuse; perform in-depth targeted reviews of high risk program areas; and develop model software to assist State agencies in preventing and identifying program abuse.

USDA proposes an increase of over \$3 million for Child Nutrition Payment Accuracy. This request includes funds to establish a Child Nutrition Program Integrity Response Team to further promote program integrity efforts, and to support technology solutions to State and local program management and monitoring challenges.

#### NUTRITION PROGRAM PARTICIPATION

Mr. Aderholt: What are the expected participation levels for the Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and Commodity

Supplemental Food Program (CSFP) estimated for FY 2013 and FY 2014, and how does that compare to the FY 2012 participation?

Response: The information is provided for the record.

[The Information follows:]

Participation

PROGRAM	2012	2013	2014	Percentage change 2012 to 2013	Percentage change 2012 to 2014
SNAP (average per month)	46,609,075	47,105,000	44,734,000	1.1%	-4.0%
WIC (average per month)	8,905,278	8,907,000	8,907,000	0.0%	0.0%
CSFP (average per month)	594,215	595,138	595,138	0.2%	0.2%

Note: FY 2012 participation updated through September 2012 Keydata release.

WIC ESTIMATE METHODOLOGIES

Mr. Aderholt: What methodologies is the Department using to estimate WIC participation, food inflation and NSA costs for each quarter and fiscal year?

Response: The Department projects WIC participation for budget development and for routine program monitoring using a methodology that relies primarily on historic program trends but is also sensitive to current trends reflected in the administrative data. WIC State agencies remit participation statistics to the Department monthly. In most years the Department takes the most current monthly figure from the States and projects participation for each of the remaining months in the forecast period using historic month over month growth rates. In recognition of recent decreases in WIC participation, continued slow or negative growth through the first few months of FY 2013, and trends in U.S. birth rates, the Department estimates no growth in participation through fiscal year 2014.

USDA's Economic Research Service projects current year inflation rates for each of the major food categories represented in the WIC food packages. With this data, the Department computes a weighted average food inflation factor for the program overall, and applies this inflation factor to the previous fiscal year's food package cost as reported by the States. The projection is further adjusted for changes in program rules and the anticipated effect of new infant formula rebate contracts. This methodology is used to project WIC food package costs through the end of the current fiscal year. The Department applies OMB's most recent forecast of the change in the value of the Thrifty Food Plan to project WIC food package costs beyond the current fiscal year.

The Department projects the value of nutrition services and administration (NSA) costs from a base that is specified in statute. The base is equal to the previous year's per-participant grant increased by the year over year change in the State and local government purchases index published by the Bureau of Economic Analysis of the Department of Commerce. The Department projects future year NSA per-participant costs by applying OMB's most recent forecast of the State and local government purchases index to the current-year base.

## SNAP PARTICIPATION

Mr. Aderholt: How many people does USDA estimate are eligible for the SNAP, but are not participating? Specifically, how many or what percentage of senior participants enrolled in CSFP are eligible for Food Stamps but do not participate? What efforts are being made to shift elderly CSFP participants to SNAP?

Response: In FY 2010, the latest data available, USDA estimates that 12.6 million individuals were eligible for SNAP but did not participate. In FY 2011, about two-thirds of the nearly 570,000 elderly CSFP participants were eligible for SNAP but did not participate.

SNAP has eligibility policies that take into account the special circumstances faced by seniors. These include deduction of medical expenses, no gross income limits, a higher asset limit and special eligibility status for seniors who receive Supplemental Security Income (SSI) because of their age and low income. Seniors may also designate authorized representatives to represent their interests during the application process and to purchase food with SNAP benefits on their behalf.

Special procedural accommodations include certification periods up to 2 years and the ability to apply for SNAP through the Social Security Administration when applying for SSI. In addition, several demonstration projects have been approved in an effort to further improve access for seniors.

Combined Application Projects (CAPs), operating in 18 States, offer a combination of standardized benefits and normally no need to go to the local offices. These projects have produced significant increases in participation within the target population. In CAP States, the percentage of one-person SSI cases participating in SNAP increased by 48 percent between 2000 and 2008, whereas the percentage in non-CAP States remained relatively flat. The increase in participation among one-person SSI recipients in CAP States was much greater than the overall increase in SNAP participation in the CAP States during the same time period.

Mr. Aderholt: Provide specific examples of the initiatives that have been launched to help make sure that those who are eligible for food stamps know that they can participate. How much did USDA spend on these initiatives in fiscal year 2011 and 2012? What is the projected expenditure level in fiscal years 2013 and 2014? What work is being done with any other federal agency to educate the public on eligibility, specifically Health and Human Services?

Response: USDA takes seriously its mission and responsibility to provide access to nutrition assistance program benefits to every eligible person who needs and seeks assistance. USDA promotes program access through appropriate outreach to program partners and potential recipients to ensure that eligible people can make an informed choice for themselves and their families. USDA works to ensure that outreach is in line with the law and policy by:

- Focusing clearly on groups who are eligible under the law.
- Emphasizing that programs provide support during times of need, not permanently.

- Avoiding messages that disparage or demean the importance of work.

The information is provided for the record.

[The information follows:]

USDA supports efforts to ensure access to the Supplemental Nutrition Assistance Program (SNAP) to those who are eligible and seek benefits. Approximately 75 percent of those eligible participate in the program, up about 20 points from ten years ago. While the majority of activities related to such education occur at the State and local level, the Food and Nutrition Service does provide some tools and materials as well. Examples of such efforts include:

- *National Media Campaign:* The purpose of this campaign was to educate potentially eligible individuals about the requirements of the program and how to apply. Through this campaign, USDA funded radio advertising in the past (FY 2004 - 2012) but, no advertisements will be aired in FY13.
- *The USDA National Hunger Clearinghouse:* The USDA National Hunger Clearinghouse collects and maintains contact and program information about Federal, State and local non-profit organizations and government agencies that provide food assistance programs and other social services, including information regarding SNAP. Individuals can search the online database or call a toll-free hotline to find assistance in their community.
- *Toll Free Information Line:* FNS provides a toll free information line in English and Spanish for low-income people to learn more about SNAP requirements.
- *Pre-screening Tool:* English and Spanish versions of the online pre-screening tool tell users if they might be eligible for benefits and estimates the amount of benefits they might receive. Where available, the site links the user to a State's pre-screening tool, which can incorporate State-specific policies.
- *Outreach Materials:* FNS makes available educational materials, such as brochures, posters and flyers, at no cost to State and local agencies and other organizations. "How to Get Food Help" provides contact information for immediate food help as well as clear and concise information that helps newly eligible people understand USDA nutrition program criteria, including SNAP.
- *La Mesa Completa:* FNS created an action plan to expand education regarding multiple nutrition assistance programs to the Latino population for the period from FY 2011 to FY 2013. The goal of La Mesa Completa is to improve the Latino populations understanding of the benefits and eligibility requirements related to SNAP, School Breakfast, the Summer Food Service Program, and the Child and Adult Care Food Program so informed decisions can be made regarding participation. FNS is targeting its efforts in seven areas across the United States with high rates of food insecurity among Latinos.

- *State Outreach Plans:* States have the option of providing outreach as part of their program operations, and FNS reimburses up to 50 percent of the allowable administrative costs for these activities. At the end of FY 2012, 42 States had approved outreach plans and an additional four States also performed outreach activities.
- *Process and Technology Improvement Grants:* The grants are targeted to State agencies, public health or educational entities, or private nonprofit entities such as community-based or faith-based organizations, food banks, or other emergency feeding organizations. The goal is to improve access by using technology and business process improvements to streamline and simplify the application process.

The following table illustrates the distribution of funds between nutrition education and program access. Initiatives using the annual funding for access, and education are designed to facilitate, complement, and supplement State and local efforts.

	FY10	FY11	FY12	FY13	FY14
Nutrition Education	\$1.5M	\$1.8M	\$1.8M	\$1.8M	\$1.8M
Program Access	\$8.5M	\$8.5M	\$10M	\$11.8M	\$11.8M

FNS is committed to educating the public on SNAP eligibility by improving communication and collaboration efforts with other Federal agencies and departments.

- *SNAP VISTAs:* FNS and the Corporation for National and Community Service are in the second year of an interagency agreement that funds AmeriCorps VISTA member work within community organizations to increase their organizational capacity to educate and inform about SNAP and other nutrition assistance programs and improve food security for low income individuals and families.
- *Medicaid Eligibility:* FNS and the Centers for Medicare and Medicaid Services are working in collaboration to identify where SNAP and Medicaid policies align and look for opportunities for coordination and greater efficiencies.
- *Children's Health Insurance Program (CHIP) eligibility:* State agencies can automatically enroll eligible children in CHIP based on information in SNAP case files. This is particularly successful in States where different agencies administer SNAP and CHIP.
- *Promotores de Salud:* An Interagency agreement between HHS Office of Minority Health and the Food and Nutrition Service funds the development of an online and print curriculum to train Promotores, also known as community health workers, about nutrition programs. The project is in the second of a three year development.
- *Administration on Aging (AoA):* FNS and the AoA's National Council on Aging (NCOA) are implementing pilot projects in Pennsylvania, New Jersey and Delaware to use SNAP pre-screening and Medicare Part D/Extra Help application data to enroll participants in SNAP. In addition, FNS is working to integrate SNAP outreach into local Area Agencies on Aging

(AAA) and Aging and Disability Resource Centers (ADRCs) across the country.

- **Prisoner Reentry:** FNS staff is participating in a workgroup lead by the Attorney General with the mission of coordinating across Federal agencies to better address the needs of individuals returning to their communities after prison. This is a wide ranging group that includes members from 16 other Federal agencies, including HHS.

#### NUTRITION PROGRAM FUNDING AND PARTICIPATION

Mr. Aderholt: For the past five years, please provide a table showing the estimated dollars and participants in the President's Budget request and then the actual cost and participants for that year.

Response: The information is provided for the record.

[The information follows:]

		2008		2009		2010		2011		2012	
		Request	Actual	Request	Actual	Request	Actual	Request	Actual	Request	Actual
NSLP	Program Level (millions)	\$6,180.9	\$6,365.2	\$6,599.6	\$6,963.7	\$9,821.3	\$1,932.8	\$10,713.0	\$10,803.8	\$10,945.1	\$12,426.4
	Avg Daily Participation (millions)	31.5	32.3	32.1	31.2	32.1	31.6	32.6	31.9	32.5	32.6
SBP	Program Level (millions)	\$2,990.0	\$2,593.0	\$2,522.3	\$2,607.4	\$2,866.1	\$2,895.4	\$3,117.9	\$3,076.4	\$3,337.7	\$3,550.6
	Avg Daily Participation (millions)	10.9	10.6	11.2	11.0	11.3	11.7	12.3	12.1	12.9	12.8
CACFP	Program Level (millions)	\$2,288.8	\$2,345.2	\$2,366.8	\$2,451.7	\$2,686.5	\$2,589.2	\$2,726.8	\$2,732.1	\$2,815.4	\$2,946.4
	Total Meals (millions)	1,904.7	1,896.0	1,819.7	1,920.3	1,985.9	1,910.3	1,977.7	1,929.0	1,993.7	1,948.2
SFSP	Program Level (millions)	\$310.6	\$312.2	\$324.9	\$336.3	\$377.8	\$374.2	\$397.2	\$376.4	\$420.4	\$394.9
	Total Meals (millions)	125.5	131.2	127.6	133.1	0.0	133.7	145.3	137.2	145.1	144.7
SMP	Program Level (millions)	\$14.4	\$15.1	\$13.9	\$14.3	\$19.6	\$21.1	\$10.6	\$12.4	\$13.1	\$13.6
	Total Half Pints (millions)	36.6	46.0	87.2	78.7	51.1	72.4	74.5	66.5	67.0	63.4
WIC	Program Level (millions)	\$5,936.9	\$6,370.5	\$5,953.8	\$6,932.3	\$7,793.3	\$7,042.9	\$7,819.6	\$7,123.5	\$7,392.6	\$6,706.1
	Avg Monthly Participation (millions)	8.3	8.7	8.6	9.1	9.4	9.2	10.1	9.0	9.4	8.9
SNAP	Program Level (millions)	\$31,997.9	\$31,363.7	\$44,117.1	\$43,336.9	\$52,814.4	\$68,656.3	\$69,319.3	\$71,761.5	\$73,531.5	\$74,947.1
	Avg Monthly Participation (millions)	26.2	26.4	29.3	33.7	36.7	40.3	43.3	44.7	45.0	46.0
FDPTR	Program Level (millions)	\$59.7	\$44.2	\$36.4	\$118.6	\$112.8	\$111.1	\$97.0	\$96.3	\$130.7	\$125.7
	Avg Monthly Participation (thousands)	59.3	99.1	48.6	95.4	10.6	84.6	97.3	74.0	88.3	76.1
CSFP	Program Level (millions)	\$0.0	\$110.9	\$0.0	\$134.0	\$129.7	\$143.1	\$135.5	\$155.1	\$741.4	\$185.5
	Avg Monthly Participation (thousands)	0.0	475.3	0.0	466.7	473.5	518.8	604.5	584.1	634.9	544.1

\* Includes ARRA Funds in FY 2009 through FY 2012

Program level requested amounts are from the President's Budget or the Mid-session Update, if applicable.

Program names: National School Lunch Program (NSLP); School Breakfast Program (SBP); Child and Adult Care Food Program (CACFP); Summer Food Service Program

(SFSP); Special Milk Program (SMP); Special Supplemental Nutrition Program for Women, Infants and Children (WIC); Supplemental Nutrition Assistance Program (SNAP); Food Distribution Program on Indian Reservations (FDPIR); and Commodity Supplemental Food Program (CSFP).

#### WIC ELECTRONIC BENEFIT TRANSFER

Mr. Aderholt: Please provide the Department's plan for transitioning additional WIC state programs to electronic benefits transfer (EBT). Provide the Committee with details on WIC's MIS spending from FY 2009 to FY 2012 and planned expenditures for FY 2013 and FY 2014. Lastly, provide the Committee with a detailed explanation as to how the Department is leveraging the SNAP infrastructure and the existing EBT state efforts that may be used by other states currently not a participant in EBT.

Response: With specific funding for electronic benefit transfer (EBT) and management information systems (MIS) provided by Congress, we awarded grants to WIC State agencies to initiate their EBT planning and implementation projects; or to continue their EBT projects.

The Food and Nutrition Service (FNS) provides ongoing technical assistance, training and support to State agencies as they transition to EBT. In addition, FNS collaborates with retailer and other industry stakeholders to stay abreast of emerging issues in EBT.

The information is provided for the record.

[The information follows:]

#### WIC EBT Development

The total amount spent on WIC MIS from fiscal year 2009 through fiscal year 2013 is \$153,888,744. Technology funds will only be available in FY 2013 upon determination that the contingency funds are not needed to support participation. If technology funds are available in fiscal year 2013, WIC State agencies with existing EBT projects will receive funding based on approved project budgets and timelines. Additionally, many State agencies that put a hold on their projects in fiscal year 2012 due to lack of funding will be able to precede with their EBT planning and implementation efforts.

The following table identifies the WIC State agencies that have received WIC technology funds for MIS activities. Priority for all technology funding will go to WIC State agencies with existing MIS projects and other technology initiatives such as EBT; funding awards will be based on approved project budgets and timelines to ensure critical investments in technology are preserved.

We have learned a great deal from the implementation of EBT by SNAP, and many of the same providers are now supporting online WIC EBT. We continue to work closely with SNAP EBT whenever there is a need. For example, we have worked closely with State agencies and industry to develop a standard set of WIC EBT Operating Rules and a Technical Implementation Guide, which mirror the Quest EBT Operating Rules successfully in use by SNAP EBT State agencies.

Benefitting from efforts from current EBT State agencies, the WIC EBT Operating Rules establish national standards for State implementations and

impact operations for State agencies, food vendors, electronic cash register software companies and EBT providers. We have also developed a Universal Interface technical guide enabling WIC State agencies to implement standard processes that can allow EBT systems to be implemented faster and for less cost. All of these standardization efforts are built upon the best practices of the State agencies that now operate WIC EBT statewide.

## WIC State Agencies That Have Received WIC Technology Funds for MIS Activities

State Agency	FY 2009*	FY 2010	FY 2011	FY 2012**	FY 2013
Northeast Region					
Connecticut	\$391,270	0	0	\$1,517,908	0
Maine	\$1,484,356	0	0	0	0
Massachusetts	\$909,000	0	0	0	0
New York	\$5,092,278	0	0	0	0
Rhode Island	\$147,488	0	0	0	0
Vermont	\$410,215	0	0	\$565,322	0
Mid-Atlantic Region					
Delaware	\$5,000,000	0	0	0	0
Dist. Of Columbia	\$282,421	0	0	0	0
New Jersey	\$1,349,414	0	0	0	0
Pennsylvania	\$756,167	0	0	0	0
Puerto Rico	\$421,250	0	0	0	0
Southeast Region					
Florida	\$3,874,445	0	0	0	0
North Carolina	\$17,276,448	0	\$10,833,394	\$1,912,851	0
Tennessee	\$481,720	0	0	0	0
Mid-west Region					
Illinois	\$5,504,551	0	0	0	0
Minnesota	\$2,935,346	0	0	0	0
Wisconsin	\$401,800	0	0	0	0
Southwest Region					
Arkansas	\$400,433	\$93,088	0	0	0
Chickasaw, OK	\$2,920,091	\$3,380,132	0	\$1,098,260	0
Louisiana	\$576,302	0	0	0	0
New Mexico	\$1,861,490	0	0	0	0
Texas	\$10,826,705	\$28,802,82	\$4,967,304	0	0
Mountain Plains Region					
Colorado	\$1,022,022	\$1,412,693	\$3,828,814	\$2,107,695	0
Kansas	\$6,285,855	\$460,091	0	\$844,912	0
Missouri	\$1,630,769	\$93,009	0	0	0
Montana	\$426,000	\$190,575	0	0	0
Nebraska	\$182,700	0	0	0	0
North Dakota	\$68,975	0	0	0	0

State Agency	FY 2009*	FY 2010	FY 2011	FY 2012**	FY 2013
South Dakota	\$1,907,672	0	0	\$1,261,671	0
Standing Rock	0	0	\$321,850	0	0
Utah	\$206,000	0	0	0	0
Western Region					
Alaska	\$2,487,150	\$447,768	0	0	0
Arizona	\$2,952,662	\$1,749,385	0	0	0
California	\$4,405,661	0	0	0	0
Hawaii	\$250,000	0	0	0	0
Idaho	\$2,556,978	\$55,608	\$34,154	0	0
Oregon	\$223,800	0	0	0	0
<b>TOTAL</b>	<b>\$87,909,434</b>	<b>\$36,685,17</b>	<b>\$19,985,516</b>	<b>\$9,308,619</b>	<b>0</b>

\*Funds were provided through the American Recovery and Reinvestment Act of 2009.

\*\*Funds available from prior year balances.

Mr. Aderholt: What types of savings can be achieved by full conversion to WIC EBT?

Response: We anticipate that State agencies and WIC authorized vendors will see savings from the elimination of paper WIC checks or vouchers. For State Agencies, these types of savings include check stock, printers for local WIC clinics, bank processing charges and State or local agency staff who monitor the paper food instrument processes and manage exceptions. It is expected however, that any savings realized by State agencies will be used to support the WIC EBT system delivery. More significant savings will be associated with authorized vendors, particularly those that redeem a large number of WIC food instruments and may also see savings from elimination of paper checks or vouchers.

These potential savings include: charges for armored car services, rejected check fees; labor costs for staff needed to count and prepare paper food instruments for deposit to a bank or to be sent to the State agency for payment. In addition, costs associated with training for store personnel, managers and checkout clerks, will also be reduced due to automation of the WIC food lists inherent with EBT implementation. Of course, cost savings for authorized vendors will vary due to size, volume of WIC business and the efficiency of their own procedures.

Investments in EBT and MIS will improve clinic efficiencies and benefit delivery systems in the WIC Program, and allow for increased monitoring of vendor activities. EBT provides detailed food cost and product data, which will provide critical information for enhanced oversight and monitoring of Program vendors. This ability should help prevent fraud in the Program and allow for improved Program integrity. Efficiencies are gained through MIS investments as legacy systems that are both expensive to maintain and unable to meet current demands of complex Program operations are replaced or modified. Additionally, many legacy systems cannot support EBT without significant modification.

WIC NUTRITION SERVICES AND ADMINISTRATION

Mr. Aderholt: What efforts is the Department taking to reduce NSA costs so that full or near full participation can take the highest priority before using contingency funds?

Response: WIC State agencies reduced total spending for nutrition services and administration (NSA) from \$1.96 billion in FY 2011 to \$1.88 billion in FY 2012 (just over 4 percent). However, adequate facilities, staff and clinic hours are required to achieve full or near full participation in FY 2013. WIC NSA costs go well beyond state and local administrative costs. Funding for legislatively mandated non-monetary program benefits, including nutrition education, breastfeeding support, and other client services such as healthcare and immunization screening, which improve birth outcomes and reduce the incidence of health problems for WIC participants are also funded within the NSA budget line. State and local administrative costs represent only 8.9 percent of the total obligations for the program. State agencies must be cautious in balancing their use of their NSA grant to ensure participants have access to much needed WIC food benefits as well as the other mandated program benefits, especially for the working poor.

FNS provides expert technical assistance in this critical budget area to ensure all participants seeking benefits are able to be served within the grant level. In addition, FNS has provided State agencies with several administrative options to contain food costs.

#### DEPARTMENT-WIDE/CROSS-CUTTING ISSUES

Mr. Aderholt: Please provide a table that shows the number of professional and clerical staff from each agency and USDA staff office assigned to public affairs activities and the cost by each respective organization, to include projections for fiscal year 2013 and 2014.

Response: The information is provided for the record.

[The information follows:]

United States Department of  
Agriculture Public Affairs  
Activities (Dollars in Thousands)

<u>Agency</u>	<u>2012</u>		<u>2013</u>		<u>2014</u>	
	<u>Employment</u>	<u>Staff Years</u>	<u>Employment</u>	<u>Staff Years</u>	<u>Employment</u>	<u>Staff Years</u>
<b>Office of Communications:</b>						
Professional	53	53.0	56	56.0	56	56.0
Clerical	6	6.0	6	6.0	6	6.0
Budget Authority	\$8,065		\$8,356		\$8,137	
Location of Staff:						
Washington	59	59.0	62	62.0	62	62.0
Field	0	0.0	0	0.0	0	0.0
<b>Office of the Chief Economist:</b>						
Professional	1	1.0	1	1.0	1	1.0
Clerical	0	0.0	0	0.0	0	0.0
Budget Authority	\$157		\$157		\$158	
Location of Staff:						
Washington	1	1.0	1	1	1	1.0
Field	0	0.0	0	0.0	0	0.0
<b>ARS:</b>						
Professional	28	28.0	28	28.0	28	28.0
Clerical	1	1.0	1	1.0	1	1.0
Budget Authority	\$3,466		\$3,488		\$3,488	
Location of Staff:						
Washington	29	29.0	29	29.0	29	29.0
Field	0	0.0	0	0.0	0	0.0
<b>ERS:</b>						
Professional	4	2.7	4	2.7	4	2.7
Clerical	1	0.1	1	0.1	1	0.1
Budget Authority	\$397		\$397		\$401	
Location of Staff:						
Washington	5	2.8	5	2.8	5	2.8
Field	0	0.0	0	0.0	0	0.0
<b>NIFA:</b>						
Professional	6	6.0	7	7.0	6	6.0
Clerical	2	2.0	2	2.0	1	1.0
Budget Authority	\$531		\$632		\$582	
Location of Staff:						
Washington	8	8.0	9	9	7	7.0
Field	0	0.0	0	0	0	0.0
<b>NASS:</b>						
Professional	3	3.0	3	3.0	3	3.0
Clerical	0	0.0	0	0.0	0	0.0
Budget Authority	\$373		\$375		\$375	
Location of Staff:						
Washington	3	3.0	3	3.0	3	3.0
Field	0	0.0	0	0.0	0	0.0
<b>FAS:</b>						
Professional	12	12.0	12	12.0	12	12.0
Clerical	2	2.0	2	2.0	2	2.0
Budget Authority	\$1,535		\$1,677		\$1,677	
Location of Staff:						
Washington	12	12.0	12	12.0	12	12.0
Field	2	2.0	2	2.0	2	2.0
<b>FSA:</b>						
Professional	13	13.0	13	13.0	13	13.0
Clerical	1	1.0	1	1.0	1	1.0
Budget Authority	\$1,696		\$1,710		\$1,710	
Location of Staff:						
Washington	10	10.0	10	10.0	10	10.0
Field	4	4.0	4	4.0	4	4.0

<u>Agency</u>	<u>2012</u>		<u>2013</u>		<u>2014</u>	
	<u>Employment</u>	<u>Staff Years</u>	<u>Employment</u>	<u>Staff Years</u>	<u>Employment</u>	<u>Staff Years</u>
<b>RMA:</b>						
Professional	7	7.0	6	6.0	6	6.0
Clerical	2	2.0	2	2.0	2	2.0
Budget Authority	\$958		\$883		\$883	
Location of Staff:						
Washington	7	7.0	6	6.0	6	6.0
Field	2	2.0	2	2.0	2	2.0
<b>RD:</b>						
Professional	9	8.5	9	8.5	9	8.5
Clerical	1	1.0	1	1.0	1	1.0
Budget Authority	\$1,270		\$1,270		\$1,270	
Location of Staff:						
Washington	10	9.5	10	9.5	10	9.5
Field	0	0.0	0	0	0	0.0
<b>NRCS:</b>						
Professional	100	100.0	103	101.0	103	101.0
Clerical	3	3.0	3	3.0	3	3.0
Budget Authority	\$9,409		\$9,626		\$9,698	
Location of Staff:						
Washington	16	16.0	22	20.0	22	20.0
Field	87	87.0	84	84.0	84	84.0
<b>APHIS:</b>						
Professional	18	18.0	15	14.0	14	14.0
Clerical	0	0.0	0	0.0	0	0.0
Budget Authority	\$1,926		\$1,503		\$1,578	
Location of Staff:						
Washington	13	13.0	11	10.0	10	10.0
Field	5	5.0	4	4.0	4	4.0
<b>AMS:</b>						
Professional	7	7.5	5	5.5	5	5.5
Clerical	1	1.0	2	2.0	2	2.0
Budget Authority	\$975		\$991		\$991	
Location of Staff:						
Washington	8	8.5	7	7.5	7	7.5
Field	0	0.0	0	0.0	0	0.0
<b>FSIS:</b>						
Professional	13	10.9	11	9.8	11	11.0
Clerical	2	0.6	3	1.0	2	0.6
Budget Authority	\$1,471		\$1,220		\$1,244	
Location of Staff:						
Washington	15	11.5	14	10.8	13	11.6
Field	0	0.0	0	0.0	0	0.0
<b>FNS:</b>						
Professional	24	4.9	23	4.7	23	4.7
Clerical	0	0.0	0	0.0	0	0.0
Budget Authority	\$559		\$541		\$541	
Location of Staff:						
Washington	7	1.5	7	1.5	7	1.5
Field	17	3.7	16	3.2	16	3.2
<b>TOTAL, Public Affairs Activities:</b>						
Professional	298	275.5	296	272.2	294	272.4
Clerical	22	19.7	24	21.1	22	19.7
Budget Authority	\$32,788		\$32,826		\$32,733	
Location of Staff:						
Washington	203	191.8	208	194.1	204	192.9
Field	117	103.7	112	99.2	112	99.2

## CONGRESSIONAL RELATIONS

Mr. Aderholt: Please provide a table showing the total amount spent on congressional relations and a breakout by Agency, to include projections for fiscal year 2013 and 2014.

Response: The information is provided for the record.

[The information follows:]

U.S. DEPARTMENT OF AGRICULTURE  
CONGRESSIONAL RELATIONS ACTIVITIES  
(Dollars in Thousands)

AGENCY	2012 Actual				2013 Estimate				2014 Estimate			
	Employment	Staff Years	Total Staff Years	% of Staff Years	Employment	Staff Years	Total Staff Years	% of Staff Years	Employment	Staff Years	Total Staff Years	% of Staff Years
<b>OSBC:</b>												
Professional .....	12	13.8			12	12.00			13	12.00		
Clerical .....	3	3.0			3	3.00			3	3.00		
Total .....	15	16.8	62	27.19	15	15.00	62	24.19	16	15.00	65	24.423
Schedule C Positions	7	7.0			7	7.0			8	8.0		
Average Cost:												
Professional .....	\$116				\$116				\$116			
Clerical .....	\$108				\$108				\$110			
Budget Authority .....		\$1,990				\$2,168				\$2,473		
<b>ASS:</b>												
Professional .....	1	1.0			1	1.0			1	1.0		
Clerical .....	0	0.0			0	0.0			0	0.0		
Total .....	1	1.0	7,596	0.01	1	1.0	7,596	0.01	1	1.0	7,596	0.012
Schedule C Positions												
Average Cost:												
Professional .....	\$111				\$102				\$102			
Clerical .....	\$0				\$0				\$0			
Budget Authority .....		\$111				\$02				\$102		
<b>NIFA:</b>												
Professional .....	1	0.7			1	0.7			1	0.7		
Clerical .....	1	0.1			1	0.1			1	0.1		
Total .....	2	0.8	435	0.20	2	0.8	416	0.20	2	0.8	417	0.192
Schedule C Positions	0	0.0			0	0.0			0	0.0		
Average Cost:												
Professional .....	\$109				\$103				\$100			
Clerical .....	\$2				\$2				\$2			
Budget Authority .....		\$111				\$102				\$02		
<b>FAS:</b>												
Professional .....	1	0.7			1	0.7			1	0.7		
Clerical .....	0	0.0			0	0.0			0	0.0		
Total .....	1	0.7	1	76.00	1	0.7	1	76.00	1	0.7	1	76.001
Schedule C Positions	0	0.0			0	0.0			0	0.0		
Average Cost:												
Professional .....	\$31				\$31				\$31			
Clerical .....	\$0				\$0				\$0			
Budget Authority .....		\$109				\$102				\$101		
<b>FSA:</b>												
Professional .....	2	0.5			1	0.5			1	0.5		
Clerical .....	3	0.0			0	0.0			0	0.0		
Total .....	2	0.5	4,486	0.01	1	0.5	4,436	0.02	1	0.5	4,436	0.021
Schedule C Positions	0	0.0			0	0.0			0	0.0		
Average Cost:												
Professional .....	\$146				\$135				\$135			
Clerical .....	\$0				\$0				\$0			
Budget Authority .....		\$146				\$135				\$135		

U.S. DEPARTMENT OF AGRICULTURE  
CONGRESSIONAL RELATIONS ACTIVITIES  
(Dollars in Thousands)

AGENCY	2012 Actual				2013 Estimate				2014 Estimate			
	Employment	Staff Years	Total Staff Years	% of Staff Years	Employment	Staff Years	Total Staff Years	% of Staff Years	Employment	Staff Years	Total Staff Years	% of Staff Years
<b>REA:</b>												
Professional .....	1	0.5			0	0.0			0	0.0		
Clerical .....		0.0				0.0				0.0		
Total .....	1	0.5	479	0.11		0.0	455	0.06		0.0	455	0.004
Schedule C Positions .....		0.0			0	0.0			0	0.0		
Average Cost: .....												
Professional .....	541					\$0				\$0		
Clerical .....						\$0				\$0		
Budget Authority .....		\$41				\$0				\$0		
<b>RD:</b>												
Professional .....	4	3.5			4	3.5			4	3.5		
Clerical .....	0	0.0			0	0.0			0	0.0		
Total .....	4	3.5	5,193	0.07		0.0	5,000	0.07		0.0	5,000	0.07%
Schedule C Positions .....	0	0.0			0	0.0			0	0.0		
Average Cost: .....												
Professional .....	137				137				137			
Clerical .....	0				0				0			
Budget Authority .....		\$250				\$212				\$212		
<b>RSCS:</b>												
Professional .....	1	1.0			1	1.0			1	1.0		
Clerical .....	0	0.0			0	0.0			0	0.0		
Total .....	1	1.0	11,277	0.01	1	1.0	11,154	0.01	1	1.0	10,617	0.01%
Schedule C Positions .....	0	0.0			0	0.0			0	0.0		
Average Cost: .....												
Professional .....	515				514				514			
Clerical .....	0				0				0			
Budget Authority .....		\$15.6				\$144				\$144		
<b>APHIS:</b>												
Professional .....	3	0.61			3	0.68			3	0.68		
Clerical .....	0	0.0			0	0.0			0	0.0		
Total .....	3	0.61	7,453	0.01	3	0.68	7,710	0.01	3	0.68	7,712	0.01%
Schedule C Positions .....	0	0.0			0	0.0			0	0.0		
Average Cost: .....												
Professional .....	5146				5155				5155			
Clerical .....	0				0				0			
Budget Authority .....		\$11				\$102				\$102		
<b>AMS:</b>												
Professional .....	2	1.0			2	1.0			2	1.0		
Clerical .....	0	0.0			0	0.0			0	0.0		
Total .....	2	1.0	7,371	0.04	2	1.0	7,475	0.04	2	1.0	7,481	0.04%
Schedule C Positions .....	0	0.0			0	0.0			0	0.0		
Average Cost: .....												
Professional .....	5111				5102				5102			
Clerical .....	0				0				0			
Budget Authority .....		\$11				\$102				\$102		

U.S. DEPARTMENT OF AGRICULTURE  
CONGRESSIONAL RELATIONS ACTIVITIES  
(Dollars in Thousands)

AGENCY	2012 Actual				2013 Estimate				2014 Estimate			
	Employment	Staff Years	Total Staff Years	% of Staff Years	Employment	Staff Years	Total Staff Years	% of Staff Years	Employment	Staff Years	Total Staff Years	% of Staff Years
FSIS:												
Professional .....	4	4.0			4	4.0			4	4.0		
Clerical .....	0	0.0			0	0.0			0	0.0		
Total .....	4	4.0	9,351	0.04	4	4.0	9,360	0.04	4	4.0	9,122	0.04%
Schedule C Positions .....	0	0.0			0	0.0			0	0.0		
Average Cost: .....												
Professional .....	\$56				\$53				\$53			
Clerical .....	50				50				50			
Budget Authority .....		\$236				\$212				\$212		
FNS:												
Professional .....	3	1.70			3	2.00			3	2.00		
Clerical .....	1	0.50			1	0.20			1	0.50		
Total .....	4	2.20	931	0.24	4	2.20	1,606	0.22	4	2.50	1,636	0.22%
Schedule C Positions .....	1	0.0			1	0.0			1	0.0		
Average Cost: .....												
Professional .....	\$196				\$202				\$202			
Clerical .....	\$34				\$16				\$16			
Budget Authority .....		\$230				\$212				\$212		
TOTAL, Congressional Relations Activities:												
Professional .....	35	29.2			33	27.4			34	28.4		
Clerical .....	5	3.6			5	3.3			5	3.3		
Total .....	40	32.8	49,598	0.07%	38	30.7	45,665	0.06%	39	31.7	49,968	0.06%
Schedule C Positions .....	0	7.0			8	7.0			9	8.0		
Budget Authority .....		\$3,576				\$3,596				\$3,887		

Mr. Aderholt: Please provide a table that shows the transfers, by agency, from the Office of Congressional Relations, and the amount retained for the immediate Assistant Secretary for fiscal years 2011, 2012 and estimated for 2013.

Response: In fiscal year 2011, the Office of Congressional Relations transferred \$1,866,000. In fiscal years 2012, \$1,586,000 was transferred to the agencies, and \$1,424,000 is estimated for fiscal year 2013.

[The information follows:]

OFFICE OF THE SECRETARY OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS (Dollars in Thousands)			
	<b>2011</b>	<b>2012</b>	<b>2013</b>
Farm Service Agency .....	\$172	\$146	\$135
Foreign Agricultural Service .....	128	109	101
Risk Management Agency .....	48	41	0
Total, Farm and Foreign Agricultural Services.....	348	296	236
Rural Development .....	271	230	212
Food and Nutrition Service .....	271	230	212
Natural Resources Conservation Service .....	183	156	144
Food Safety and Inspection Service .....	271	230	212
Agricultural Research Service .....	131	111	102
National Institute of Food and Agriculture.....	130	111	102
Total, Research, Education and Economics.....	261	222	204
Agricultural Marketing Service .....	131	111	102
Animal and Plant Health Inspection Service .....	130	111	102
Total, Marketing and Regulatory Programs.....	261	222	204
<b>Total Transferred to Agencies .....</b>	<b>1,866</b>	<b>1,586</b>	<b>1,424</b>
Office of the Assistant Secretary for Congressional Relations			
Congressional Relations.....	1,587	1,574	1,718
Intergovernmental Affairs.....	416	416	450
Total, Office of the Assistant Secretary for Congressional Relations.....	2,003	1,990	2,168
<b>Total Appropriated.....</b>	<b>3,869</b>	<b>3,576</b>	<b>3,592</b>

Note: 2013 plan amounts reflect the effects of two across-the-board rescissions and the March 1, 2013 sequestration.

## DIRECT LOAN WRITE-OFFS

Mr. Aderholt: Please provide a table showing the amount of direct farm loans, direct housing loans, and direct rural community advancement program loans that have been written off the books from year 2001 to the present.

Response: The information is provided for the record.

[The information follows:]

## FARM SERVICE AGENCY

## Direct Farm Loans Written Off

Fiscal Years 2001 - 2013

(Dollars in Thousands)

Fiscal Year	Beginning Principal	Losses (Principal and Interest)	Losses as Percent of Principal
2001	8,710,486	349,942	4.0
2002	8,481,201	446,967	5.3
2003	7,922,653	385,291	4.9
2004	7,513,484	291,949	3.9
2005	6,855,304	244,830	3.6
2006	6,311,422	185,769	2.9
2007	6,101,785	145,351	2.4
2008	5,953,213	99,627	1.7
2009	5,949,567	49,042	0.8
2010	6,576,959	77,631	1.2
2011	7,369,973	125,155	1.7
2012	7,685,188	75,749	1.0
2013	7,839,241	87,132	1.1

**RURAL COMMUNITY ADVANCEMENT PROGRAM**  
**WRITE-OFFS AND LOSSES ON INSURED LOANS**  
**FY 2000 Through January 31, 2013**  
**(in thousands of dollars)**

Fiscal Year	Write-offs on Insured Loans:					Less Recoveries:			Total Losses on Insured Loans
	Water and Waste Disposal Loans	Community Facility Loans	Business and Industry Loans	Resource Conservation and Development Loans & Recreation Association Loans	Total Write-off Insured Loans	Community Facilities Loans	Business and Industry Loans	Total Recoveries	
<b>FY 2000</b>	\$3,160	\$4,544	\$77	0	\$7,781	0	0	0	<b>\$7,781</b>
<b>FY 2001</b>	227	1,385	1,016	\$42	2,670	0	\$135	\$135	<b>2,535</b>
<b>FY 2002</b>	241	6	2,244	0	2,491	\$1,809	0	1,809	<b>682</b>
<b>FY 2003</b>	1,220	3,207	3,256	0	7,683	350	66	416	<b>7,267</b>
<b>FY 2004</b>	1,156	8,806	9,665	0	19,627	725	0	725	<b>18,902</b>
<b>FY 2005</b>	170	4,100	3,678	0	7,948	450	128	578	<b>7,370</b>
<b>FY 2006</b>	0	6,909	4,939	251	12,099	42	295	337	<b>11,762</b>
<b>FY 2007</b>	9,694	8,869	21,566	100	40,229	0	1,121	1,121	<b>39,108</b>
<b>FY 2008</b>	3,930	14,709	15,334	0	33,973	195	0	195	<b>33,778</b>
<b>FY 2009</b>	1,509	4,306	4,329	0	10,144	0	0	0	<b>10,144</b>
<b>FY 2010</b>	1,555	10,228	1,118	0	12,901	0	0	0	<b>12,901</b>
<b>FY 2011</b>	2,660	15,159	2,047	0	19,866	0	0	0	<b>19,866</b>
<b>FY 2012</b>	1,002	15,316	2,824	0	19,142	0	0	0	<b>19,142</b>
<b>FY 2013</b>	1,173	4,808	1,748	0	7,729	0	0	0	<b>7,729</b>
<b>Total</b>	26,524	97,544	72,093	393	196,554	3,571	1,745	5,316	<b>191,238</b>

RURAL HOUSING INSURANCE FUND  
WRITE-OFFS AND LOSSES ON DIRECT LOANS  
FY 2000 through January 31, 2013  
(in thousands of dollars)

Fiscal Year	Write-offs on Direct Loans:							Gain (-) or Losses at Acquisition of Acquired Property and Chattels	Gain (-) or Losses on Sale of Acquired Property and Chattels	Less Recoveries: 2/ Recoveries	Total Losses on Insured Loans Net of Recoveries
	General Purpose Loans <u>1/</u>	Domestic Farm Labor Loans	Rental or Cooperative Loans	Site Loans	Self- Help Loans	Write-offs on Direct Loans	Total				
FY 2000	\$68,006	202	14,110	0	0	0	\$82,318	-4,668	12,517	0	90,167
FY 2001	\$206,343	2	15,022	0	0	0	\$221,367	-6,100	19,422	0	234,689
FY 2002	\$224,549	1	14,369	78	0	0	\$238,997	-4,512	19,880	0	254,365
FY 2003	\$150,870	39	14,571	0	251	0	\$165,731	-4,232	16,010	0	177,509
FY 2004	\$134,891	59	10,218	0	0	0	\$145,168	-2,799	12,517	0	154,886
FY 2005	\$93,561	77	9,332	0	0	0	\$102,970	-580	6,675	0	109,065
FY 2006	\$71,846	52	5,540	0	0	0	\$77,438	9	2,627	0	80,074
FY 2007	\$247,626	0	27,208	0	162	0	\$274,996	-3,436	2,430	0	273,990
FY 2008	\$43,758	30	18,109	0	0	0	\$61,897	-10,550	4,291	21,102	76,740
FY 2009	\$86,258	0	21,025	0	0	0	\$109,283	-8,269	5,660	19,957	126,641
FY 2010	\$142,412	22	25,211	0	0	0	\$167,645	-6,821	8,654	22,705	192,183
FY 2011	\$181,030	0	13,742	0	0	0	\$194,772	1,127	10,550	29,067	235,516
FY 2012	\$239,686	0	23,392	0	0	0	\$263,078	-2,637	10,759	26,172	297,372
FY 2013	\$70,566	0	1,660	0	0	0	\$72,226	3,627	2,818	0	78,671
Total	\$1,892,836	484	211,849	78	413	0	\$2,105,560	-53,468	131,992	119,013	2,303,197

Note: Amounts include currently not collectable written off the financial records, but still included on the borrower record.

1/ Includes single family homeownership and repair loans (section 502, 504, and single family credit sales).

2/ Recoveries are included on financing loans only.

## OSEC STAFFING

Mr. Aderholt: Provide a table that lists current staff in each of the OSEC offices, the position title, the grade level, the pay costs associated with each position, the identity of appointment, and how they are funded for fiscal years 2011, 2012, and 2013.

Response: The following table lists current staff on board in each of the OSEC offices, the position title, the grade level, and the pay costs associated with each position. The table also identifies Presidential Appointments with Senate Confirmation-PAS, Schedule C, Non-career, Career positions, and how they are funded. The table reflects staff on board as of September 30, 2011 for fiscal year 2011; September 30, 2012, for fiscal year 2012, as of April 23, 2013, for fiscal year 2013.

IMMEDIATE OFFICE  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED	
				BY	APPOINTMENT
Secretary of Agriculture	EX-I	\$199,700	\$49,925	OSEC	PAS
Deputy Secretary of Agriculture	EX-II	179,700	44,925	OSEC	PAS
Chief of Staff	ES	179,700	44,925	OSEC	Non-Career
Deputy Chief of Staff	ES	179,700	44,925	OSEC	Non-Career
Senior Advisor to the Secretary	ES	152,250	38,062	OSEC	Non-Career
Senior Policy Advisor	ES	152,250	38,063	FS	Non-Career
Chief of Staff to the Deputy Secretary	ES	145,000	36,250	OSEC	Non-Career
Senior Advisor	ES	142,560	35,640	OSEC	Non-Career
Senior Advisor	ES	140,000	35,000	OSEC	Non-Career
Senior Advisor	ES	140,000	35,000	OSEC	Non-Career
Senior Advisor	ES	140,000	35,000	OSEC	Non-Career
Senior Advisor	ES	140,000	35,000	RD	Non-Career
Advisor Special Projects	GS-15/03	132,009	33,002	OSEC	Schedule C
White House Liaison	GS-15/03	132,009	33,002	OSEC	Schedule C
Senior Program Manager for Global Food Securities	GS-15/03	132,009	33,002	FAS	Schedule C
Director of Faith Based	GS-15/03	132,009	33,002	Reimb. Faith Based	Schedule C

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Special Assistant	GS-14/08	129,758	32,440	OSEC	Career
Committee Management Officer	GS-14/08	129,758	32,440	Reimb. Advisory	Career
Executive Assistant	GS-12/10	97,333	24,333	OSEC	Career
Deputy Director	GS-12/02	77,368	19,342	Reimb. Faith Based	Career Conditional
Deputy White House Liaison	GS-12/02	77,368	19,342	Reimb. Advisory	Schedule C
Secretary	GS-10/10	73,917	18,479	OSEC	Career
Secretary	GS-10/09	72,022	18,006	OSEC	Career
Staff Assistant	GS-09/02	53,350	13,338	OSEC	Career
Program Assistant	GS-09/01	51,630	12,908	Reimb. Faith Based	Career
Secretary	GS-09/01	51,630	14,198	OSEC	Career
Special Assistant	GS-09/01	51,630	12,908	OSEC	Schedule C
Program Assistant	GS-07/01	42,209	10,552	Reimb. Faith Based	Career

IMMEDIATE OFFICE  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Secretary of Agriculture	EX-I	\$199,700	\$49,925	OSEC	PAS
Deputy Secretary of Agriculture	EX-II	179,700	44,925	OSEC	PAS
Chief of Staff	ES	179,700	44,925	OSEC	Non-Career
Deputy Chief of Staff	ES	179,700	44,925	OSEC	Non-Career
Senior Policy Advisor	ES	152,250	38,063	Forest Service	Non-Career
Senior Advisor	ES	142,560	35,640	OSEC	Non-Career
Senior Advisor	ES	140,000	35,000	OSEC	Non-Career
Senior Advisor	ES	140,000	35,000	OSEC	Non-Career
Senior Advisor	ES	140,000	35,000	OSEC	Non-Career
Advisor to the Secretary	GS 15/04	136,134	34,034	OSEC	Schedule C

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
White House Liaison	GS-15/04	136,134	34,034	Reimb Adv Comm	Schedule C
Senior Program Manager for Global Food Securities	GS-15/04	136,134	34,034	FAS	Schedule C
Director of Faith Based	GS-15/04	136,134	34,034	Reimb. Faith Based	Schedule C
Advisor to the Secretary	GS-15/01	123,758	30,940	OSEC	Schedule C
Special Assistant	GS-14/08	129,758	32,440	OSEC	Career
Committee Management Officer	GS-14/08	129,758	32,440	Reimb. Advisory	Career
Deputy White House Liaison	GS-13/02	92,001	23,000	OSEC	Schedule C
Exec Asst to the Secy	GS-13/01	89,033	22,258	OSEC	Schedule C
Executive Assistant	GS-12/10	97,333	24,333	OSEC	Career
Deputy Director	GS-12/03	79,864	19,966	Reimb. Faith Based	Career Conditional
Staff Assistant	GS-11/02	64,548	16,137	OSEC	Schedule C
Secretary	GS-10/10	73,917	18,479	OSEC	Career
Secretary	GS-10/09	72,022	18,006	Reimb Adv Comm	Career
Secretary	GS-10/03	60,648	15,162	OSEC	Career
Special Assistant	GS-09/02	53,350	13,338	OSEC	Schedule C
Program Assistant	GS-09/02	53,350	13,338	Reimb. Faith Based	Career
Program Support Specialist	GS-09/02	53,350	13,338	Reimb. Faith Based	Schedule C
Staff Assistant	GS-09/01	51,630	12,908	OSEC	Schedule C
Program Analyst	GS-09/01	51,630	12,908	Forest Service	Schedule C
Program Analyst	GS-09/01	51,630	12,908	Forest Service	Schedule C
Staff Assistant	GS-05/01	34,075	8,519	Forest Service	Schedule C
Program Clerk	GS-04/01	30,456	7,614	Forest Service	Schedule C

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Staff Assistant	GS-02/01	24,865	6,216	Forest Service	Schedule C

IMMEDIATE OFFICE  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Secretary of Agriculture	EX-I	\$199,700	\$49,925	OSEC	PAS
Deputy Secretary of Agriculture	EX-II	179,700	44,925	OSEC	PAS
Chief of Staff	ES	179,700	44,925	OSEC	Non-Career
Deputy Chief of Staff for Operations	ES	162,500	40,625	OSEC	Non-Career
Deputy Chief of Staff for Policy	ES	162,500	40,625	OSEC	Non-Career
Senior Policy Advisor	ES	152,250	38,063	Forest Service	Non-Career
Chief of Staff to the Deputy Secretary	ES	145,000	36,250	OSEC	Non-Career
Senior Advisor	ES	142,560	35,640	OSEC	Non-Career
White House Liaison	GS-15/04	136,134	34,034	Reimb Adv Comm	Schedule C
Senior Program Manager for Global Food Securities	GS-15/04	136,134	34,034	FAS	Schedule C
Director of Faith Based	GS-15/04	136,134	34,034	Reimb. Faith Based	Schedule C
Advisor to the Secretary	GS-15/01	123,758	30,940	OSEC	Schedule C
Special Assistant	GS-14/09	133,264	33,316	OSEC	Career
Deputy Director of Scheduling	GS-13/02	92,001	23,000	OSEC	Schedule C
Exec Asst to the Secy	GS-13/01	89,033	22,258	OSEC	Schedule C
Deputy White House Liaison	GS-12/03	79,864	19,966	OSEC	Schedule C
Deputy Director	GS-12/03	79,864	19,966	Reimb. Faith Based	Career Conditional
Program Analyst	GS-11/01	62,467	15,617	Forest Service	Schedule C

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Secretary	GS-10/10	73,917	18,479	OSEC	Career
Secretary	GS-10/09	72,022	18,006	Reimb Adv Comm	Career
Secretary	GS-10/04	62,544	15,636	OSEC	Career
Program Support Specialist	GS-09/02	53,350	13,338	Reimb. Faith Based	Schedule C
Staff Assistant	GS-09/02	53,350	13,338	OSEC	Schedule C
Staff Assistant	GS-07/01	42,209	10,552	Forest Service	Schedule C
Staff Assistant	GS-04/01	30,456	7,614	Forest Service	Schedule C
Staff Assistant	GS-03/01	27,130	6,783	Forest Service	Schedule C

UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Acting Under Secretary	ES	\$150,800	\$37,700	OSEC	Non-Career
Deputy Under Secretary	ES	147,000	36,750	OSEC	Non-Career
Deputy Under Secretary	ES	140,000	35,000	FSA	Non-Career
Special Assistant	GS-14/06	122,744	30,686	OSEC	Schedule C
Special Assistant	GS-13/04	97,936	24,484	FSA	Schedule C

UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Acting Under Secretary	ES	\$165,300	\$41,325	OSEC	Non-Career
Deputy Under Secretary	ES	152,250	38,062	OSEC	Non-Career
Deputy Under Secretary	ES	147,000	36,750	OSEC	Non-Career
Special Assistant	GS-15/04	136,134	34,034	FSA/FAS/ RMA	Schedule C
Special Assistant	GS-13/02	92,001	23,000	FSA/FAS/ RMA	Schedule C

UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	Non-Career
Deputy Under Secretary	ES	152,250	38,062	OSEC	Non-Career
Deputy Under Secretary	ES	147,000	36,750	OSEC	Non-Career
Special Assistant	GS-15/04	136,134	34,034	FSA/FAS/ RMA	Schedule C
Special Assistant	GS-13/02	92,001	23,000	FSA/FAS/ RMA	Schedule C

UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	149,350	37,338	OSEC	Non-Career
Senior Advisor	ES	155,000	38,750	OSEC	Non-Career
White House Fellow	GS-14/03	112,224	28,056	FNS	Schedule C
Executive Assistant	GS-12/06	87,350	21,838	OSEC	Career
Staff Assistant	GS-11/04	68,712	17,178	OSEC	Career

UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	149,350	37,338	OSEC	Non-Career
Senior Advisor	ES	155,000	38,750	OSEC	Non-Career
Executive Assistant	GS-12/06	87,350	21,838	FNS	Career
Staff Assistant	GS-11/05	70,794	17,699	FNS	Career
Legislative Assistant	GS-07/02	43,616	10,904	FNS	Schedule C

UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	149,350	37,338	OSEC	Non-Career
Senior Advisor	ES	155,000	38,750	OSEC	Non-Career
Senior Advisor	ES	140,000	35,000	FNS	Non-Career
Executive Assistant	GS-12/07	89,846	22,462	FNS	Career
Staff Assistant	GS-11/05	70,794	17,699	FNS	Career

UNDER SECRETARY FOR FOOD SAFETY  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,250	OSEC	PAS
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Manager for CODEX Alimentarius	ES	177,833	44,458	FSIS	Career
Executive Assistant	GS-15/03	132,009	33,002	OSEC	Schedule C
Secretary	GS-11/09	79,122	19,781	OSEC	Career
Secretary	GS-11/09	79,122	19,781	FSIS	Career

UNDER SECRETARY FOR FOOD SAFETY  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,250	OSEC	PAS
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Manager for CODEX Alimentarius	ES	177,833	44,458	FSIS	Career
Chief of Staff	GS-15/04	136,134	34,034	OSEC	Schedule C
Food Safety Ombudsman	GS-14/03	122,099	30,525	OSEC	Schedule C
Secretary	GS-11/09	79,122	19,781	FSIS	Career
Secretary	GS-11/09	79,122	19,781	FSIS	Career

UNDER SECRETARY FOR FOOD SAFETY  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Chief of Staff	GS-15/04	136,134	34,034	OSEC	Schedule C
Food Safety Ombudsman	GS-14/03	122,099	30,525	OSEC	Schedule C
Secretary	GS-11/09	79,122	19,781	FSIS	Career
Secretary	GS-11/09	79,122	19,781	FSIS	Career

UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Chief of Staff	GS-15/03	132,009	33,002	OSEC	Schedule C
Special Assistant	GS-14/04	115,731	28,933	FS/NRCS	Schedule C
Staff Assistant	GS-09/01	51,630	12,908	FS/NRCS	Schedule C

UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	145,000	36,250	FS/NRCS	Non-Career
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Chief of Staff	GS-15/04	136,134	34,034	OSEC	Schedule C
Special Assistant	GS-14/04	115,731	28,933	FS/NRCS	Schedule C
Special Assistant	GS-13/01	89,033	22,258	FS/NRCS	Schedule C
Staff Assistant	GS-07/01	42,209	10,552	FS/NRCS	Schedule C

UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	145,000	36,250	FS/NRCS	Non-Career
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Chief of Staff	GS-15/04	136,134	34,034	OSEC	Schedule C
Special Assistant	GS-14/05	119,238	29,810	FS/NRCS	Schedule C
Special Assistant	GS-13/02	92,001	23,000	FS/NRCS	Schedule C
Staff Assistant	GS-07/01	42,209	10,552	FS/NRCS	Schedule C

UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,625	OSEC	PAS
Deputy Under Secretary	ES	179,700	44,925	OSEC	Career
Director, Office of the Chief Scientist	ES	160,336	40,084	ARS/NIFA/ ERS/NASS	Career
Chief of Staff	GS-15/04	136,134	34,752	ARS/NIFA/ ERS/NASS	Schedule C
Special Assistant	GS-12/01	74,872	18,718	OSEC	Schedule C

UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,625	OSEC	PAS
Deputy Under Secretary	ES	179,700	44,925	OSEC	Career
Senior Advisor	ES	165,300	41,325	ARS/NIFA/ ERS/NASS	Non-Career
Chief of Staff	GS-15/01	123,758	30,940	OSEC	Schedule C
Confidential Assistant	GS-12/01	74,872	18,718	ARS/NIFA/ ERS/NASS	Schedule C

UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,625	OSEC	PAS
Deputy Under Secretary	ES	179,700	44,925	OSEC	Career
Senior Advisor	ES	165,300	41,325	ARS/NIFA/ ERS/NASS	Non-Career
Chief of Staff	GS-15/04	136,134	34,034	OSEC	Schedule C
Confidential Assistant	GS-12/02	77,368	19,342	ARS/NIFA/ ERS/NASS	Schedule C

UNDER SECRETARY FOR RURAL DEVELOPMENT  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	150,800	37,700	OSEC	Non-Career
Director, Economic and Community Development	GS-15/04	136,134	34,034	RD	Schedule C
Chief of Staff	GS-15/03	132,009	33,002	OSEC	Schedule C
Confidential Assistant	GS-12/01	74,874	18,719	RD	Schedule C
Consultant	EF-0/0	45,374	11,344	RD	Schedule B

UNDER SECRETARY FOR RURAL DEVELOPMENT  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	152,250	38,063	OSEC	Non-Career
Deputy Under Secretary	ES	150,800	37,700	OSEC	Non-Career
Senior Advisor	GS-15/10	155,500	38,875	RD	Schedule C
Director, Legislative and Public Affairs	GS-15/06	144,385	36,096	RD	Schedule C
Chief of Staff	GS-15/04	136,134	34,034	RD	Schedule C
Special Assistant for Energy Program	GS-13/03	94,969	23,742	RD	Schedule C

UNDER SECRETARY FOR RURAL DEVELOPMENT  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	152,250	38,063	OSEC	Non-Career
Deputy Under Secretary	GS-15/10	155,500	38,875	OSEC	Non-Career
Senior Advisor	GS-15/10	155,500	38,875	RD	Schedule C
Director, Legislative and Public Affairs	GS-15/06	144,385	36,096	RD	Schedule C
Chief of Staff	GS-15/04	136,134	34,034	RD	Schedule C
Special Assistant for Energy Program	GS-13/04	97,936	24,484	RD	Schedule C
Special Assistant	GS-09/02	53,350	13,338	OSEC	Schedule C

UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	149,350	37,338	OSEC	Non-Career
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Staff Assistant	GS-15/01	113,735	28,434	AMS/APHIS/ GIPSA	Career
Program Specialist	GS-14/04	115,731	28,933	AMS/APHIS/ GIPSA	Career
Program Specialist	GS-13/03	94,969	23,742	AMS/APHIS/ GIPSA	Career
Staff Assistant	GS-11/01	62,467	15,617	AMS/APHIS/ GIPSA	Career
Program Specialist	GS-11/01	62,467	15,617	AMS/APHIS/ GIPSA	Schedule C

UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Program Specialist	GS-14/05	119,238	29,810	AMS/APHIS/ GIPSA	Career
Senior Advisor	GS-14/01	105,211	26,303	OSEC	Schedule C
Program Specialist	GS-13/03	94,969	23,742	AMS/APHIS/ GIPSA	Career
Confidential Assistant	GS-13/02	92,001	23,000	AMS/APHIS/ GIPSA	Schedule C
Program Specialist	GS-11/02	64,548	16,137	AMS/APHIS/ GIPSA	Schedule C
Staff Assistant	GS-11/01	62,467	15,617	AMS/APHIS/ GIPSA	Career
Program Asst.	GS-4/1	30,456	7,614	AMS/APHIS/ GIPSA	Career

UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Under Secretary	EX-III	\$165,300	\$41,325	OSEC	PAS
Deputy Under Secretary	ES	145,000	36,250	OSEC	Non-Career
Chief of Staff	GS-15/02	127,883	31,971	OSEC	Schedule C
Program Specialist	GS-14/05	119,238	29,810	AMS	Career
Program Specialist	GS-13/04	97,936	24,484	AMS/APHIS/ GIPSA	Career
Confidential Assistant	GS-13/02	92,001	23,000	AMS/APHIS/ GIPSA	Schedule C
Staff Assistant	GS-11/02	64,548	16,137	AMS/APHIS/ GIPSA	Career
Program Specialist	GS-11/02	64,548	16,137	AMS/APHIS/ GIPSA	Schedule C

ASSISTANT SECRETARY FOR ADMINISTRATION  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Assistant Secretary	EX-JV	\$255,500	\$38,875	OSEC	PAS
Deputy Assistant Secretary	ES	179,700	44,925	OSEC	Career
Associate Assistant Secretary	ES	179,700	44,925	Greenbook Reimb.	Career
Deputy Assistant Secretary	ES	155,000	38,750	OSEC	Non-Career
Deputy Director Cultural Transformation	ES	133,900	33,475	Greenbook Reimb.	Non-Career
Special Assistant	GS-15/10	155,500	38,875	Greenbook Reimb.	Career
EEO Specialist	GS-14/09	133,264	33,316	Forest Service	Career
Horticulturist	GS-14/09	133,264	33,316	Greenbook Reimb.	Career
Management Analyst	GS-12/01	74,872	18,718	Greenbook Reimb.	Career
Secretary	GS-12/01	74,872	18,718	DM Staff Offices	Career
Executive Assistant	GS-09/01	51,630	12,908	DM Staff Offices	Career
Secretary	GS-08/08	57,649	14,412	Greenbook Reimb.	Career

ASSISTANT SECRETARY FOR ADMINISTRATION  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED	
				BY	APPOINTMENT
Acting Assistant Secretary	ES	\$179,700	\$26,277	OSEC	Career
Deputy Assistant Secretary	ES	179,700	44,925	OSEC	Career
Associate Assistant	ES	179,700	44,925	Greenbook Reimb.	Career
Deputy Assistant Secretary	ES	155,000	38,750	OSEC	Non-Career
Special Assistant	ES	133,900	33,475	Greenbook Reimb.	Non-Career
Special Assistant	GS-15/C7	136,483	34,121	Forest Service	Schedule C
Chief of Staff	GS-15/C4	136,134	34,034	DM Staff Offices	Schedule C
Horticulturist	GS-14/C9	133,264	33,316	Greenbook Reimb.	Career
Program Analyst	GS-14/C1	105,211	26,303	Greenbook Reimb.	Schedule C
Special Asst.	GS-13/C1	89,033	22,258	Greenbook Reimb.	Schedule C
Management Analyst	GS-12/C1	74,872	18,718	Greenbook Reimb.	Career
Secretary	GS-11/C8	77,040	19,260	Greenbook Reimb.	Career
Equal Employment Specialist	GS-11/C1	59,987	14,997	Forest Service	Schedule C
Management Analyst	GS-11/C1	62,467	15,617	DM Staff Offices	Schedule C
Confidential Asst.	GS-11/C1	62,467	15,617	DM Staff Offices	Schedule C
Equal Employment Specialist	GS-09/10	64,450	16,113	Forest Service	Schedule C
Executive Assistant	GS-09/C1	51,630	12,908	Admin.	Career
Management Analyst	GS-09/C1	51,630	12,908	Greenbook Reimb.	Schedule C
Staff Assistant	GS-05/C1	34,075	8,519	Greenbook Reimb.	Schedule C
Staff Assistant	GS-05/C1	34,075	8,519	Forest Service	Schedule C

ASSISTANT SECRETARY FOR ADMINISTRATION  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Acting Assistant Secretary	ES	\$179,700	\$26,277	OSEC	Career
Deputy Assistant Secretary	ES	179,700	44,925	OSEC	Career
Associate Assistant	ES	179,700	44,925	Greenbook Reimb.	Career
Deputy Chief of Staff	ES	162,500	40,625	OSEC	Non-Career
Special Assistant	GS-15/07	136,483	34,121	Forest Service	Schedule C
Chief of Staff	GS-15/04	136,134	34,034	DM Staff Offices	Schedule C
Special Asst.	GS-13/02	92,001	23,000	Greenbook Reimb.	Schedule C
Management Analyst	GS-12/02	77,368	19,342	Greenbook Reimb.	Career
Secretary	GS-11/08	77,040	19,260	Greenbook Reimb.	Career
Management Analyst	GS-11/02	64,548	16,137	DM Staff Offices	Schedule C
Executive Assistant	GS-11/01	62,467	15,617	Greenbook Reimb.	Career
Confidential Asst.	GS-11/01	62,467	15,617	DM Staff Offices	Schedule C
Management Analyst	GS-09/02	53,350	13,338	Greenbook Reimb.	Schedule C
Staff Assistant	GS-05/01	34,075	8,519	Greenbook Reimb.	Schedule C
Staff Assistant	GS-05/01	34,075	8,519	Forest Service	Schedule C

ASSISTANT SECRETARY FOR CIVIL RIGHTS  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Assistant Secretary	EX-IV	\$155,500	\$38,875	OSEC	PAS
Deputy Assistant Secretary	ES	155,000	38,750	OSEC	Non-Career
Special Assistant	GS-13/04	97,936	24,484	OSEC	Schedule C
Special Assistant	GS-13/02	92,001	23,000	Civil Rights	Schedule C
Administrative Specialist	GS-12/10	99,333	24,833	Civil Rights	Career
Executive Assistant	GS-12/08	92,341	23,085	Civil Rights	Career
Compliance Analyst Specialist	GS-09/02	53,350	13,338	Civil Rights	Schedule C

ASSISTANT SECRETARY FOR CIVIL RIGHTS  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Assistant Secretary	EX-IV	\$155,500	\$38,875	OSEC	PAS
Senior Advisor	GS-14/01	105,211	26,303	OSEC	Schedule C
Administrative Specialist	GS-12/10	97,333	24,333	Civil Rights	Career
Executive Assistant	GS-12/08	92,341	23,085	Civil Rights	Career
Compliance Analysts Specialist	GS-09/02	53,350	13,338	Civil Rights	Schedule C

ASSISTANT SECRETARY FOR CIVIL RIGHTS  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Assistant Secretary	EX-IV	\$155,500	\$38,875	OSEC	PAS
Deputy Assistant Secretary	ES	145,000	36,250	OSEC	Schedule C
Administrative Specialist	GS-12/10	97,333	24,333	OSEC	Career

ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Deputy Assistant Secretary	ES	\$149,350	\$46,538	OSEC	Non-Career
Senior Advisor	ES	148,510	37,128	RD	Career
Director, Intergovernmental Affairs	GS-15/06	144,385	40,125	OSEC	Schedule C
Senior Advisor for Labor Affairs	GS-15/04	136,134	34,034	RD	Schedule C
Special Assistant	GS-15/01	123,758	33,093	OSEC	Schedule C
Deputy Director, Intergovernmental Affairs	GS-14/01	105,211	32,279	OSEC	Schedule C
Special Assistant	GS-12/05	84,855	21,214	OSEC	Career
Secretary	GS-12/03	79,864	19,966	OSEC	Career
Staff Assistant	GS-12/01	74,872	18,718	OSEC	Schedule C
Special Assistant	GS-11/07	74,958	18,740	OSEC	Schedule C
Special Assistant	GS-11/07	74,958	18,740	OSEC	Career
Legal Analyst	GS-11/02	64,548	16,137	OSEC	Schedule C
Transportation Assistant	WG-08/05	52,976	13,244	OSEC	Career
Legislative Analyst	GS-07/02	43,616	10,904	OSEC	Career
Staff Assistant	GS-07/01	42,209	10,552	OSEC	Schedule C
Legislative Assistant	GS-07/01	42,209	10,552	OSEC	Schedule C

ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Assistant Secretary	EX-IV	\$155,300	\$38,875	OSEC	PAS
Deputy Assistant Secretary	ES	149,350	37,338	OSEC	Non-Career
Senior Advisor	ES	165,300	41,325	RD	Career
Director, Intergovernmental Affairs	GS-15/06	144,385	36,096	OSEC	Schedule C
Confidential Assistant	GS-13/05	100,904	25,226	OSEC	Schedule C
Special Assistant	GS-13/01	89,033	22,258	OSEC	Schedule C
Confidential Assistant	GS-13/01	89,033	22,258	OSEC	Schedule C
Special Assistant	GS-12/06	87,350	21,838	OSEC	Career
Secretary	GS-12/04	82,359	20,590	OSEC	Career
Staff Assistant	GS-11/07	74,958	18,740	OSEC	Schedule C
Special Assistant	GS-11/07	74,958	18,740	OSEC	Career
Staff Assistant	GS-09/01	51,630	12,908	OSEC	Schedule C
Staff Assistant	GS-09/01	51,630	12,907	OSEC	Schedule C
Transportation Assistant	WG-08/05	52,976	13,244	OSEC	Career
Student Training	GS-01/01	22,115	5,529	OSEC	Schedule C

ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Assistant Secretary	EX-IV	\$155,300	\$38,875	OSEC	PAS
Deputy Assistant Secretary	ES	149,350	37,338	OSEC	Non-Career
Senior Advisor	ES	165,300	41,325	RD	Career
Director, Intergovernmental Affairs	GS-15/06	144,385	36,096	OSEC	Schedule C
Confidential Assistant	GS-14/01	105,211	26,303	OSEC	Schedule C
Confidential Assistant	GS-13/05	100,904	25,226	OSEC	Schedule C
Special Assistant	GS-13/01	89,033	22,258	OSEC	Schedule C
Special Assistant	GS-12/06	87,350	21,838	OSEC	Career
Secretary	GS-12/04	82,359	20,590	OSEC	Career
Special Assistant	GS-11/07	74,958	18,740	OSEC	Career
Staff Assistant	GS-09/02	53,350	13,338	OSEC	Schedule C
Staff Assistant	GS-09/02	53,350	13,338	OSEC	Schedule C
Transportation Assistant	WG-08/05	52,976	13,244	OSEC	Career

OFFICE OF TRIBAL RELATIONS  
Fiscal Year 2011

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Senior Advisor for Tribal Issues	ES	\$145,000	\$36,250	OTR	Non-Career
Program Specialist	GS-13/03	100,904	25,226	Greenbook Reimb.	Career
Program Specialist	GS-13/03	87,278	21,820	OTR	Career
Management Analyst	GS-09/01	51,630	12,908	OTR	Career

OFFICE OF TRIBAL RELATIONS  
Fiscal Year 2012

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Senior Advisor for Tribal Issues	ES	\$145,000	\$36,250	OTR	Non-Career
Director, Tribal Relations	GS-15/04	136,134	34,034	OTR	Schedule C
Program Specialist	GS-13/04	90,005	21,820	OTR/FS	Career
Management Analyst	GS-11/01	62,467	15,617	OTR	Career

OFFICE OF TRIBAL RELATIONS  
Fiscal Year 2013

TITLE	GRADE	SALARY	BENEFITS	FUNDED BY	APPOINTMENT
Director, Tribal Relations	ES	\$153,000	\$38,750	OTR	Non-Career
Program Specialist	GS-13/04	90,005	21,820	OTR/FS	Career
Management Analyst	GS-11/02	64,548	16,137	OTR	Career

## ADVISORY COMMITTEES

Mr. Aderholt: For the record, please provide a list of all advisory committees, panels, task forces, and commissions that are funded in FY 2011, 2012 and estimated 2013. Indicate those that are mandated by law and those that are discretionary as well as the funding level of each. Also list each advisory committee, panel, task force and commission that you propose to operate in FY 2014 and the proposed budget for each.

Response: Information on all advisory committees, panels, task forces, and commissions that were funded in fiscal year 2011, 2012 and estimated for 2013 follow. Operations for fiscal year 2014 will be considered after final Congressional action. The 2014 President's Budget requested a total spending authority of \$2.9 million due to several committees experiencing organizational changes that require an increase in operating costs. Additionally, pursuant to guidance from the Administrative Conference of the United States and the General Services Administration funding will be invested in greater use of technology to make Federal advisory committees more transparent to the public.

[The information follows:]

AUTHORITY AND FUNDING FOR USDA ADVISORY COMMITTEES  
(Dollars in Thousands)

Committee Title	Authority Statutory (S) or Discretionary (D)	FY 2011	FY 2012	FY 2013
<b>FOOD, NUTRITION AND CONSUMER SERVICES:</b>				
National Advisory Council on Maternal, Infant, and Fetal Nutrition				
<b>FOOD SAFETY:</b>				
National Advisory Committee on Meat and Poultry Inspection	S 42 U.S.C. 1786	\$50,000	\$75,000	\$75,000
National Advisory Committee on Microbiological Criteria for Foods	S 21 U.S.C. 454 (a)(4)	68,000	50,000	50,000
	D Departmental Regulation 1043-28	160,000	200,000	120,000
<b>RESEARCH, EDUCATION AND ECONOMICS:</b>				
NIFA/Forestry Research Advisory Council	S 16 U.S.C. 582a-4	65,000	0	0
ARS/Advisory Committee on Biotechnology and 21 <sup>st</sup> Century Agriculture	D Departmental Regulation 1043-049	286,000	274,000	274,000
NASS/Advisory Committee on Agricultural Statistics	D Departmental Regulation 1042-130	35,000	70,000	70,000
<b>MARKETING AND REGULATORY PROGRAMS:</b>				
APHIS/National Wildlife Services Advisory Committee	D Departmental Regulation 1043-27	24,000	43,600	43,600
APHIS/General Conference Committee on the National Policy Improvement Plan	D Departmental Regulation 1043-8	8,500	33,000	20,000
APHIS/Advisory Committee on Animal Health	D Departmental Regulation 1043-31	35,000	45,000	60,000
AMS/National Organic Standards Board	S 7 U.S.C. 6501-6522	90,000	190,000	190,000
AMS/Fruit and Vegetable Industry Advisory Committee	D Departmental Regulation 1042-139	70,000	96,000	96,000
AMS/Universal Cotton Standards Advisory Committee	0	0	0	55,000
GIPS/National Grain Inspection Advisory Committee	S 7 U.S.C. 871	47,000	40,000	50,000
<b>FARM AND FOREIGN AGRICULTURAL SERVICES:</b>				
FAS/Agricultural Policy Advisory Committee for Trade	S 19 U.S.C. 2101	18,520	50,550	24,982
FAS/Agricultural Technical Advisory Committees for Trade	S 19 U.S.C. 2101	111,120	124,300	149,868
FAS/Advisory Committee on Emerging Markets	S 7 U.S.C. 1421	25,000	20,000	0
FAS/Consultative Group on Child Labor and Forced Labor	S 22 U.S.C. 7101	14,000	0	0
FSA/Dairy Industry Advisory Committee	S 7 U.S.C. 1911	100,000	0	0
FSA/Edward Madigan Award Advisory Committee	S 7 U.S.C. 5678	0	20,000	0
<b>NATURAL RESOURCES AND ENVIRONMENT:</b>				
Task Force on Agricultural Air Quality Research	S 7 U.S.C. 5405	180,000	150,000	150,000
<b>OFFICE OF ADVOCACY AND OUTREACH:</b>				
Native American Advisory Committee	Agency-Discretionary	0	84,000	0
Minority Farmer Advisory Committee	S 7 U.S.C. 2279	80,000	101,000	101,000
Advisory Committee on Beginning Farmers and Ranchers	S 7 U.S.C. 1929	80,000	112,000	112,000
USDA/Hispanic Association of Colleges and Universities	D Memorandum of Agreement dated 10/96	23,000	20,941	20,000
<b>SUBTOTAL, ADVISORY COMMITTEES:</b>				
Continuity Reserve		1,576,140	1,799,391	1,661,430
TOTAL, ADVISORY COMMITTEES UNDER THE STATUTORY CAP		\$1,800,000	\$1,800,000	\$1,800,000
<b>ADVISORY COMMITTEE EXEMPT FROM THE STATUTORY CAP:</b>				
<b>RESEARCH, EDUCATION AND ECONOMICS:</b>				
National Agricultural Research, Extension, Education and Economics Advisory Board	S 7 USC 3123	407,000	500,000	500,000
TOTAL, ADVISORY COMMITTEES		\$2,207,000	\$2,300,000	\$2,300,000

OUTSIDE COUNSEL

Mr. Aderholt: Please provide the name and firm of any outside counsel hired by the Department in FY 2011 and 2012, the total amount paid for their services, and the reason they were hired.

Response: The information is provided for the record.

[The information follows:]

Project Name	Project Manager	Project Location	Project Status	Project Description	Project Budget	Project Completion Date	Project Notes
Project A: New Product Development	John Doe	New York, NY	In Progress	Developing a new product line for the company.	\$1,200,000	2023-12-31	Project A is on track for completion by the end of the year.
Project B: Marketing Campaign	Jane Smith	Los Angeles, CA	Completed	Completed a marketing campaign for the new product line.	\$800,000	2023-06-15	Project B was completed ahead of schedule.
Project C: IT System Upgrade	Mike Johnson	San Francisco, CA	On Hold	IT system upgrade project has been put on hold due to budget constraints.	\$500,000	2024-03-31	Project C is on hold until further notice.
Project D: Customer Service Improvement	Sarah Lee	Chicago, IL	In Progress	Implementing new customer service protocols across all departments.	\$300,000	2023-09-30	Project D is progressing well and on schedule.
Project E: Research & Development	David Kim	Seattle, WA	Planning	Research and development project for a new technology.	\$2,000,000	2024-06-30	Project E is in the planning phase.
Project F: Sales Training Program	Emily White	Phoenix, AZ	Completed	Completed a sales training program for the sales team.	\$150,000	2023-08-10	Project F was completed successfully.
Project G: HR Policy Review	Chris Brown	Denver, CO	In Progress	Reviewing and updating HR policies for the company.	\$100,000	2023-11-30	Project G is in progress and on track.
Project H: Legal Compliance Audit	Alex Green	Portland, OR	Completed	Completed a legal compliance audit for the company.	\$250,000	2023-07-20	Project H was completed with no major issues.
Project I: Financial Reporting System	Olivia Black	San Diego, CA	In Progress	Implementing a new financial reporting system.	\$700,000	2024-01-31	Project I is in progress and on schedule.
Project J: Supply Chain Optimization	Noah Gray	San Antonio, TX	On Hold	Supply chain optimization project has been put on hold.	\$900,000	2024-04-30	Project J is on hold until further notice.
Project K: Data Analytics Platform	Liam Blue	San Jose, CA	In Progress	Developing a new data analytics platform.	\$1,500,000	2024-05-31	Project K is in progress and on track.
Project L: Employee Wellness Program	Mia Gold	San Luis Obispo, CA	Completed	Completed an employee wellness program.	\$120,000	2023-09-01	Project L was completed successfully.
Project M: New Market Entry	Ethan Silver	San Marcos, CA	Planning	Planning for entry into a new market.	\$3,000,000	2024-09-30	Project M is in the planning phase.
Project N: Sustainability Initiative	Ava Bronze	San Bernardino, CA	In Progress	Implementing a sustainability initiative for the company.	\$600,000	2023-12-15	Project N is in progress and on track.
Project O: Customer Feedback System	Lucas Copper	San Clemente, CA	Completed	Completed a customer feedback system.	\$200,000	2023-07-05	Project O was completed successfully.
Project P: Internal Audit	Charlotte Iron	San Dimas, CA	In Progress	Conducting an internal audit of the company.	\$400,000	2023-10-31	Project P is in progress and on schedule.
Project Q: New Product Launch	Benjamin Steel	San Gabriel, CA	On Hold	New product launch project has been put on hold.	\$1,800,000	2024-07-31	Project Q is on hold until further notice.
Project R: HR Recruitment Drive	Sophia Tin	San Juan Capistrano, CA	Completed	Completed a recruitment drive for new hires.	\$180,000	2023-08-25	Project R was completed successfully.
Project S: IT Security Audit	Matthew Lead	San Ramon, CA	In Progress	Conducting an IT security audit.	\$350,000	2023-11-15	Project S is in progress and on track.
Project T: Sales Incentive Program	Isabella Silver	San Rafael, CA	Completed	Completed a sales incentive program.	\$220,000	2023-09-20	Project T was completed successfully.
Project U: New Office Relocation	William Gold	San Mateo, CA	On Hold	New office relocation project has been put on hold.	\$2,500,000	2024-08-31	Project U is on hold until further notice.
Project V: Customer Loyalty Program	Grace Bronze	San Carlos, CA	In Progress	Implementing a customer loyalty program.	\$550,000	2023-12-01	Project V is in progress and on track.
Project W: HR Training Modules	James Copper	San Bruno, CA	Completed	Completed HR training modules for all employees.	\$160,000	2023-07-10	Project W was completed successfully.
Project X: Data Migration Project	Chloe Iron	San Bruno, CA	In Progress	Migrating data from old system to new system.	\$450,000	2023-10-15	Project X is in progress and on schedule.
Project Y: New Market Research	Benjamin Steel	San Bruno, CA	Planning	Researching a new market for expansion.	\$1,100,000	2024-02-28	Project Y is in the planning phase.
Project Z: Sustainability Report	Sophia Tin	San Bruno, CA	Completed	Completed a sustainability report for the company.	\$110,000	2023-08-01	Project Z was completed successfully.

Barclay Development - RHD	Calaway, Beville A	Calaway, Beville A	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.4	2.5	2.6	2.7	2.8	2.9	3.0	3.1	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3	4.4	4.5	4.6	4.7	4.8	4.9	5.0	5.1	5.2	5.3	5.4	5.5	5.6	5.7	5.8	5.9	6.0	6.1	6.2	6.3	6.4	6.5	6.6	6.7	6.8	6.9	7.0	7.1	7.2	7.3	7.4	7.5	7.6	7.7	7.8	7.9	8.0	8.1	8.2	8.3	8.4	8.5	8.6	8.7	8.8	8.9	9.0	9.1	9.2	9.3	9.4	9.5	9.6	9.7	9.8	9.9	10.0	10.1	10.2	10.3	10.4	10.5	10.6	10.7	10.8	10.9	11.0	11.1	11.2	11.3	11.4	11.5	11.6	11.7	11.8	11.9	12.0	12.1	12.2	12.3	12.4	12.5	12.6	12.7	12.8	12.9	13.0	13.1	13.2	13.3	13.4	13.5	13.6	13.7	13.8	13.9	14.0	14.1	14.2	14.3	14.4	14.5	14.6	14.7	14.8	14.9	15.0	15.1	15.2	15.3	15.4	15.5	15.6	15.7	15.8	15.9	16.0	16.1	16.2	16.3	16.4	16.5	16.6	16.7	16.8	16.9	17.0	17.1	17.2	17.3	17.4	17.5	17.6	17.7	17.8	17.9	18.0	18.1	18.2	18.3	18.4	18.5	18.6	18.7	18.8	18.9	19.0	19.1	19.2	19.3	19.4	19.5	19.6	19.7	19.8	19.9	20.0	20.1	20.2	20.3	20.4	20.5	20.6	20.7	20.8	20.9	21.0	21.1	21.2	21.3	21.4	21.5	21.6	21.7	21.8	21.9	22.0	22.1	22.2	22.3	22.4	22.5	22.6	22.7	22.8	22.9	23.0	23.1	23.2	23.3	23.4	23.5	23.6	23.7	23.8	23.9	24.0	24.1	24.2	24.3	24.4	24.5	24.6	24.7	24.8	24.9	25.0	25.1	25.2	25.3	25.4	25.5	25.6	25.7	25.8	25.9	26.0	26.1	26.2	26.3	26.4	26.5	26.6	26.7	26.8	26.9	27.0	27.1	27.2	27.3	27.4	27.5	27.6	27.7	27.8	27.9	28.0	28.1	28.2	28.3	28.4	28.5	28.6	28.7	28.8	28.9	29.0	29.1	29.2	29.3	29.4	29.5	29.6	29.7	29.8	29.9	30.0	30.1	30.2	30.3	30.4	30.5	30.6	30.7	30.8	30.9	31.0	31.1	31.2	31.3	31.4	31.5	31.6	31.7	31.8	31.9	32.0	32.1	32.2	32.3	32.4	32.5	32.6	32.7	32.8	32.9	33.0	33.1	33.2	33.3	33.4	33.5	33.6	33.7	33.8	33.9	34.0	34.1	34.2	34.3	34.4	34.5	34.6	34.7	34.8	34.9	35.0	35.1	35.2	35.3	35.4	35.5	35.6	35.7	35.8	35.9	36.0	36.1	36.2	36.3	36.4	36.5	36.6	36.7	36.8	36.9	37.0	37.1	37.2	37.3	37.4	37.5	37.6	37.7	37.8	37.9	38.0	38.1	38.2	38.3	38.4	38.5	38.6	38.7	38.8	38.9	39.0	39.1	39.2	39.3	39.4	39.5	39.6	39.7	39.8	39.9	40.0	40.1	40.2	40.3	40.4	40.5	40.6	40.7	40.8	40.9	41.0	41.1	41.2	41.3	41.4	41.5	41.6	41.7	41.8	41.9	42.0	42.1	42.2	42.3	42.4	42.5	42.6	42.7	42.8	42.9	43.0	43.1	43.2	43.3	43.4	43.5	43.6	43.7	43.8	43.9	44.0	44.1	44.2	44.3	44.4	44.5	44.6	44.7	44.8	44.9	45.0	45.1	45.2	45.3	45.4	45.5	45.6	45.7	45.8	45.9	46.0	46.1	46.2	46.3	46.4	46.5	46.6	46.7	46.8	46.9	47.0	47.1	47.2	47.3	47.4	47.5	47.6	47.7	47.8	47.9	48.0	48.1	48.2	48.3	48.4	48.5	48.6	48.7	48.8	48.9	49.0	49.1	49.2	49.3	49.4	49.5	49.6	49.7	49.8	49.9	50.0	50.1	50.2	50.3	50.4	50.5	50.6	50.7	50.8	50.9	51.0	51.1	51.2	51.3	51.4	51.5	51.6	51.7	51.8	51.9	52.0	52.1	52.2	52.3	52.4	52.5	52.6	52.7	52.8	52.9	53.0	53.1	53.2	53.3	53.4	53.5	53.6	53.7	53.8	53.9	54.0	54.1	54.2	54.3	54.4	54.5	54.6	54.7	54.8	54.9	55.0	55.1	55.2	55.3	55.4	55.5	55.6	55.7	55.8	55.9	56.0	56.1	56.2	56.3	56.4	56.5	56.6	56.7	56.8	56.9	57.0	57.1	57.2	57.3	57.4	57.5	57.6	57.7	57.8	57.9	58.0	58.1	58.2	58.3	58.4	58.5	58.6	58.7	58.8	58.9	59.0	59.1	59.2	59.3	59.4	59.5	59.6	59.7	59.8	59.9	60.0	60.1	60.2	60.3	60.4	60.5	60.6	60.7	60.8	60.9	61.0	61.1	61.2	61.3	61.4	61.5	61.6	61.7	61.8	61.9	62.0	62.1	62.2	62.3	62.4	62.5	62.6	62.7	62.8	62.9	63.0	63.1	63.2	63.3	63.4	63.5	63.6	63.7	63.8	63.9	64.0	64.1	64.2	64.3	64.4	64.5	64.6	64.7	64.8	64.9	65.0	65.1	65.2	65.3	65.4	65.5	65.6	65.7	65.8	65.9	66.0	66.1	66.2	66.3	66.4	66.5	66.6	66.7	66.8	66.9	67.0	67.1	67.2	67.3	67.4	67.5	67.6	67.7	67.8	67.9	68.0	68.1	68.2	68.3	68.4	68.5	68.6	68.7	68.8	68.9	69.0	69.1	69.2	69.3	69.4	69.5	69.6	69.7	69.8	69.9	70.0	70.1	70.2	70.3	70.4	70.5	70.6	70.7	70.8	70.9	71.0	71.1	71.2	71.3	71.4	71.5	71.6	71.7	71.8	71.9	72.0	72.1	72.2	72.3	72.4	72.5	72.6	72.7	72.8	72.9	73.0	73.1	73.2	73.3	73.4	73.5	73.6	73.7	73.8	73.9	74.0	74.1	74.2	74.3	74.4	74.5	74.6	74.7	74.8	74.9	75.0	75.1	75.2	75.3	75.4	75.5	75.6	75.7	75.8	75.9	76.0	76.1	76.2	76.3	76.4	76.5	76.6	76.7	76.8	76.9	77.0	77.1	77.2	77.3	77.4	77.5	77.6	77.7	77.8	77.9	78.0	78.1	78.2	78.3	78.4	78.5	78.6	78.7	78.8	78.9	79.0	79.1	79.2	79.3	79.4	79.5	79.6	79.7	79.8	79.9	80.0	80.1	80.2	80.3	80.4	80.5	80.6	80.7	80.8	80.9	81.0	81.1	81.2	81.3	81.4	81.5	81.6	81.7	81.8	81.9	82.0	82.1	82.2	82.3	82.4	82.5	82.6	82.7	82.8	82.9	83.0	83.1	83.2	83.3	83.4	83.5	83.6	83.7	83.8	83.9	84.0	84.1	84.2	84.3	84.4	84.5	84.6	84.7	84.8	84.9	85.0	85.1	85.2	85.3	85.4	85.5	85.6	85.7	85.8	85.9	86.0	86.1	86.2	86.3	86.4	86.5	86.6	86.7	86.8	86.9	87.0	87.1	87.2	87.3	87.4	87.5	87.6	87.7	87.8	87.9	88.0	88.1	88.2	88.3	88.4	88.5	88.6	88.7	88.8	88.9	89.0	89.1	89.2	89.3	89.4	89.5	89.6	89.7	89.8	89.9	90.0	90.1	90.2	90.3	90.4	90.5	90.6	90.7	90.8	90.9	91.0	91.1	91.2	91.3	91.4	91.5	91.6	91.7	91.8	91.9	92.0	92.1	92.2	92.3	92.4	92.5	92.6	92.7	92.8	92.9	93.0	93.1	93.2	93.3	93.4	93.5	93.6	93.7	93.8	93.9	94.0	94.1	94.2	94.3	94.4	94.5	94.6	94.7	94.8	94.9	95.0	95.1	95.2	95.3	95.4	95.5	95.6	95.7	95.8	95.9	96.0	96.1	96.2	96.3	96.4	96.5	96.6	96.7	96.8	96.9	97.0	97.1	97.2	97.3	97.4	97.5	97.6	97.7	97.8	97.9	98.0	98.1	98.2	98.3	98.4	98.5	98.6	98.7	98.8	98.9	99.0	99.1	99.2	99.3	99.4	99.5	99.6	99.7	99.8	99.9	100.0	100.1	100.2	100.3	100.4	100.5	100.6	100.7	100.8	100.9	101.0	101.1	101.2	101.3	101.4	101.5	101.6	101.7	101.8	101.9	102.0	102.1	102.2	102.3	102.4	102.5	102.6	102.7	102.8	102.9	103.0	103.1	103.2	103.3	103.4	103.5	103.6	103.7	103.8	103.9	104.0	104.1	104.2	104.3	104.4	104.5	104.6	104.7	104.8	104.9	105.0	105.1	105.2	105.3	105.4	105.5	105.6	105.7	105.8	105.9	106.0	106.1	106.2	106.3	106.4	106.5	106.6	106.7	106.8	106.9	107.0	107.1	107.2	107.3	107.4	107.5	107.6	107.7	107.8	107.9	108.0	108.1	108.2	108.3	108.4	108.5	108.6	108.7	108.8	108.9	109.0	109.1	109.2	109.3	109.4	109.5	109.6	109.7	109.8	109.9	110.0	110.1	110.2	110.3	110.4	110.5	110.6	110.7	110.8	110.9	111.0	111.1	111.2	111.3	111.4	111.5	111.6	111.7	111.8	111.9	112.0	112.1	112.2	112.3	112.4	112.5	112.6	112.7	112.8	112.9	113.0	113.1	113.2	113.3	113.4	113.5	113.6	113.7	113.8	113.9	114.0	114.1	114.2	114.3	114.4	114.5	114.6	114.7	114.8	114.9	115.0	115.1	115.2	115.3	115.4	115.5	115.6	115.7	115.8	115.9	116.0	116.1	116.2	116.3	116.4	116.5	116.6	116.7	116.8	116.9	117.0	117.1	117.2	117.3	117.4	117.5	117.6	117.7	117.8	117.9	118.0	118.1	118.2	118.3	118.4	118.5	118.6	118.7	118.8	118.9	119.0	119.1	119.2	119.3	119.4	119.5	119.6	119.7	119.8	119.9	120.0	120.1	120.2	120.3	120.4	120.5	120.6	120.7	120.8	120.9	121.0	121.1	121.2	121.3	121.4	121.5	121.6	121.7	121.8	121.9	122.0	122.1	122.2	122.3	122.4	122.5	122.6	122.7	122.8	122.9	123.0	123.1	123.2	123.3	123.4	123.5	123.6	123.7	123.8	123.9	124.0	124.1	124.2	124.3	124.4	124.5	124.6	124.7	124.8	124.9	125.0	125.1	125.2	125.3	125.4	125.5	125.6	125.7	125.8	125.9	126.0	126.1	126.2	126.3	126.4	126.5	126.6	126.7	126.8	126.9	127.0	127.1	127.2	127.3	127.4	127.5	127.6	127.7	127.8	127.9	128.0	128.1	128.2	128.3	128.4	128.5	128.6	128.7	128.8	128.9	129.0	129.1	129.2	129.3	129.4	129.5	129.6	129.7	129.8	129.9	130.0	130.1	130.2	130.3	130.4	130.5	130.6	130.7	130.8	130.9	131.0	131.1	131.2	131.3	131.4	131.5	131.6	131.7	131.8	131.9	132.0	132.1	132.2	132.3	132.4	132.5	132.6	132.7	132.8	132.9	133.0	133.1	133.2	133.3	133.4	133.5	133.6	133.7	133.8	133.9
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County	Grantor & Grantee Name	Grantor Title	Grantee Title	Amount Paid	Percent Paid	Facilitate or Non Judicial
Rural Development KANSAS	FIRST AMERICAN TITLE INSURANCE COMPANY	FIRST AMERICAN TITLE INSURANCE		0.2	0.2	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KANSAS	FIRST AMERICAN TITLE KANSAS AGENCY, INC	FIRST AMERICAN TITLE KANSAS AGENCY, INC		0.2	0.2	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KANSAS	ISSCO, INC	ISSCO, INC		0.7	0.7	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KANSAS	MASTETTER & KLENDA LLC	MASTETTER & KLENDA LLC		0.1	0.1	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KANSAS	LAND TITLE & ABSTRACT SERVICES INC	LAND TITLE & ABSTRACT SERVICES INC		0.6	0.6	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KANSAS	R M JACOB ABSTRACT CO	R M JACOB ABSTRACT CO		0.1	0.1	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KANSAS	REALTY INC	REALTY INC		0.2	0.2	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KANSAS	SECURITY 1ST TITLE LLC	SECURITY 1ST TITLE LLC		0.2	0.2	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KANSAS	TAYLOR ABSTRACT & TITLE CO INC	TAYLOR ABSTRACT & TITLE CO, INC		0.3	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KENTUCKY	CARBEL & WILDER LAW OFFICES PLLC	CARBEL & WILDER LAW OFFICES PLLC		125.7	145.2	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development KENTUCKY	PENNINGTON, R SCOTT	PENNINGTON, R SCOTT		141.3	63.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development LOUISIANA	DE RIVERA, GREGORY R	DE RIVERA, GREGORY R OLIVIER		30.1	19.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development LOUISIANA	GRADIER ATTORNEYS AT LAW	GRADIER ATTORNEYS AT LAW		1.7	0.4	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development LOUISIANA	R JAMES LOSSIN SR	R JAMES LOSSIN SR		0.2	0.2	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development LOUISIANA	LOSSIN, R JAMES SR ATT Y AT LAW	LOSSIN, R JAMES SR ATT Y AT LAW		27.9	28.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development LOUISIANA	O'HEGAN III, WILLIAM D A	O'HEGAN III, WILLIAM D A		0.8	0.8	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development LOUISIANA	PROFESSIONAL LAW CORPORATION	PROFESSIONAL LAW CORPORATION		0.8	0.8	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	BAY ACQUISITIONS INC	BAY ACQUISITIONS INC		42.5	109.4	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	BRADFORD I. WEBB, LLC	BRADFORD I. WEBB, LLC		2.6	0.1	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	FRIM, RALPH APPEALAL & REAL ESTATE INC	FRIM, RALPH APPEALAL & REAL ESTATE INC		1.2	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	WOODSTUFF INC	WOODSTUFF INC		1.1	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	BARRY COUNTY ABSTRACTING & TITLE CO INC	BARRY COUNTY ABSTRACTING & TITLE CO INC		9.3	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	CLINTON ABSTRACT & TITLE COMPANY LLC	CLINTON ABSTRACT & TITLE COMPANY LLC		1.4	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	COUNTY WIDE ABSTRACT & TITLE COMPANY INC	COUNTY WIDE ABSTRACT & TITLE COMPANY INC		1.1	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	D. D. HAMILTON CO., INC.	D. D. HAMILTON CO., INC.		0.3	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	GRACE LAND TITLE COMPANY INC	GRACE LAND TITLE COMPANY INC		1.4	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	DORRIN COUNTY ABSTRACT CO	DORRIN COUNTY ABSTRACT CO INC		0.3	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	ELIGHT & ASSOCIATES LAND TITLE INC	ELIGHT & ASSOCIATES LAND TITLE INC		1.3	0.3	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	HILLSBORO TITLE CO INC	HILLSBORO TITLE CO INC		0.6	0.4	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	HOGAN LAND TITLE INC	HOGAN LAND TITLE INC		0.4	0.4	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work
Rural Development MISSOURI	JOHNSON COUNTY TITLE COMPANY, INC.	JOHNSON COUNTY TITLE COMPANY, INC.		0.4	0.4	0.0 Judicial foreclosure or non judicial facilitate of bankruptcies or title work

County	Deed Book Page	File Name	Amount Paid to Clerk	Amount Paid to Recording Office	Facilitate or Bankruptcy of Title Work
Rural Development MISSOURI		LANDMAN TITLE CO INC		9.4	0.0 Judicial foreclosure or non judicial
Rural Development MISSOURI		MARK TRAIN TITLE COMPANY		1.0	facilitate or bankruptcies of title work
Rural Development MISSOURI		METRO TITLE INC		0.8	0.0 Judicial foreclosure or non judicial
Rural Development MISSOURI		MIDWEST TITLE COMPANY		2.4	facilitate or bankruptcies of title work
Rural Development MISSOURI		MISSISSIPPI COUNTY ABSTRACT & LOAN COMPANY INC		0.8	0.0 Judicial foreclosure or non judicial
Rural Development MISSOURI		MISSOURI CENTRAL TITLE INC		1.1	facilitate or bankruptcies of title work
Rural Development MISSOURI		MISSOURI TITLE ASSOCIATES, LLC		0.9	0.0 Judicial foreclosure or non judicial
Rural Development MISSOURI		GEORGIA ABSTRACT AND TITLE		1.7	facilitate or bankruptcies of title work
Rural Development MISSOURI		OSARK ABSTRACT LLC		1.7	0.0 Judicial foreclosure or non judicial
Rural Development MISSOURI		PREFERRED LAND TITLE, LLC		1.8	facilitate or bankruptcies of title work
Rural Development MISSOURI		SAINT JOSEPH TITLE & ABSTRACT COMPANY		0.7	0.0 Judicial foreclosure or non judicial
Rural Development MISSOURI		SECURITY ABSTRACT CO		1.2	facilitate or bankruptcies of title work
Rural Development MISSOURI		SOUTHEAST MISSOURI TITLE		1.4	0.0 Judicial foreclosure or non judicial
Rural Development MISSOURI		SOUTHERN LAND TITLE COMPANY, LLC		2.2	facilitate or bankruptcies of title work
Rural Development MISSOURI		TOWN & COUNTRY ABSTRACT CO INC		2.4	0.0 Judicial foreclosure or non judicial
Rural Development MONTANA		ACQUITILE, INCORPORATED		0.3	0.0 Judicial foreclosure or non judicial
Rural Development MONTANA		FIRST AMERICAN TITLE COMPANY OF MONTANA, INC.		1.3	0.0 Judicial foreclosure or non judicial
Rural Development MONTANA		FIRST AMERICAN TITLE COMPANY, INC.		0.3	0.0 Judicial foreclosure or non judicial
Rural Development MONTANA		HELENA ABSTRACT & TITLE CO		0.9	0.0 Judicial foreclosure or non judicial
Rural Development MONTANA		HENDERSON LAW FIRM, P.C.	1,008.9	47.9	0.0 Judicial foreclosure or non judicial
Rural Development MONTANA		ROOSEVELT COUNTY ABSTRACT LLC		0.0	0.0 Judicial foreclosure or non judicial
Rural Development NEVADA		TITLE SERVICE AND ESCROW COMPANY		0.3	0.0 Judicial foreclosure or non judicial
Rural Development NEVADA		CONTRADIS SAVES, INC.		7.4	0.0 Judicial foreclosure or non judicial
Rural Development WISCONSIN		GREAT NORTHERN CONNECTION		0.0	0.0 Judicial foreclosure or non judicial
Rural Development WISCONSIN		HEYWOOD, CARL & ANDERSON SC		43.7	33.7 Judicial foreclosure or non judicial
Rural Development WISCONSIN		JUST LAW OFFICE		44.1	53.4 Judicial foreclosure or non judicial
Rural Development WISCONSIN		ROBER MANH & WALLAS		39.3	46.0 Judicial foreclosure or non judicial



## STAFF YEARS

Mr. Aderholt: Please provide a table that shows, by fiscal year and agency, the staff year reductions that occurred in 2012 or are expected to occur in 2013.

Response: The information is provided for the record

[The information follows:]

UNITED STATES DEPARTMENT OF AGRICULTURE					
Staff Years					
Agency	2011 Actual	2012 Actual	2013 Enacted	2012 Actual From 2011 Actual	2013 Enacted From 2012 Actual
<b>FARM AND FOREIGN AGRICULTURAL SERVICES</b>					
Farm Service Agency .....	4,918	4,488	4,436	-430	-52
Risk Management Agency .....	505	470	455	-35	-15
Foreign Agricultural Service .....	1,052	1,017	967	-35	-50
<b>RURAL DEVELOPMENT</b>					
Rural Development .....	5,849	5,193	5,000	-656	-193
<b>FOOD, NUTRITION, AND CONSUMER SERVICES</b>					
Food and Nutrition Service .....	1,370	1,314	1,410	-56	96
<b>NATURAL RESOURCES AND ENVIRONMENT</b>					
Natural Resources Conservation Service .....	11,712	11,277	10,793	-435	-484
Forest Service .....	35,089	33,921	34,385	-1,168	464
<b>FOOD SAFETY</b>					
Food Safety and Inspection Service .....	9,573	9,460	9,348	-113	-112
<b>RESEARCH, EDUCATION, AND ECONOMICS</b>					
Agricultural Research Service .....	8,159	7,596	7,596	-563	0
NIFA (previously CSREES) .....	397	405	410	8	5
Economic Research Service .....	402	375	373	-27	-2
National Agricultural Statistics Service .....	1,085	1,052	1,335	-33	283
Animal and Plant Health Inspection Service .....	7,929	7,453	7,682	-476	229
Agricultural Marketing Service .....	2,838	2,741	2,845	-97	104
Grain Inspection, Packers & Stockyards Administration .....	721	686	686	-35	0
<b>DEPARTMENTAL ACTIVITIES</b>					
Office of the Secretary .....	118	122	124	4	2
Office of the Chief Economist .....	52	49	53	-3	4
National Appeals Division .....	92	86	92	-6	6
Office of Homeland Security .....	49	55	55	6	0
Office of Budget and Program Analysis .....	48	47	49	-1	2
Office of Advocacy and Outreach .....	40	50	53	10	3
Office of the General Counsel .....	293	281	271	-12	-10
Office of the Inspector General .....	608	558	558	-50	0
Office of the Chief Information Officer .....	1,022	969	979	-53	10
Office of the Chief Financial Officer .....	1,257	1,231	1,244	-26	13
Departmental Administration .....	530	564	501	34	-63
Office of Civil Rights .....	128	123	134	-5	11
Office of Communications .....	85	77	80	-8	3
<b>Total, USDA Federal Staffing .....</b>	<b>95,921</b>	<b>91,660</b>	<b>91,914</b>	<b>-4,261</b>	<b>254</b>
FSA, Non-Federal Staffing .....	9,003	8,008	7,980	-995	-28
<b>Total, USDA Staffing .....</b>	<b>104,924</b>	<b>99,668</b>	<b>99,894</b>	<b>-5,256</b>	<b>226</b>

## CODEX ALIMENTARIUS

Mr. Aderholt: Please provide total expenditures on Codex Alimentarius activities for fiscal years 2009 through the amount requested in the President's fiscal year 2014 request. Please provide a breakout by Agency and a grand total for each year.

Response: The information is provided for the record.

[The information follows:]

Total expenditures for Codex Alimentarius are as follows:

USDA Funding for Codex Alimentarius (Dollars in Thousands)						
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Agency	Actual	Actual	Actual	Actual	Enacted	President's Budget
FSIS	\$ 3,812	\$ 3,752	\$ 3,783	\$3,719	\$ 3,749	\$ 3,765
FAS	0	325	400	364	326	410
AMS	299	267	210	122	124	128
GIPSA	5	11	18	15	8	8
<b>Total, CODEX Activities</b>	<b>\$4,116</b>	<b>\$4,355</b>	<b>\$4,411</b>	<b>\$4,220</b>	<b>\$4,207</b>	<b>\$4,311</b>

## METHYL BROMIDE

Mr. Aderholt: Please describe USDA's activities related to methyl bromide and the Montreal Protocol. How does USDA fulfill its mission to support U.S. growers and represent U.S. agriculture in interagency decision making process and multilateral negotiations? What activities are planned for FY 2013 and 2014?

Response: USDA work regarding methyl bromide concerns critical uses including quarantine and pre-shipment treatments. This work is important to international trade and agricultural production. As a result, the USDA works with the Environmental Protection Agency and the U.S. Department of State to ensure that decisions are informed by the best and most current technical and economical information. The USDA is also represented in meetings associated with the Montreal Protocol.

USDA considers research on methyl bromide alternatives a high priority and is working with stakeholders, including States and private industry, to address this issue. USDA conducts in-house research and funds extramural research to discover and develop alternatives to methyl bromide for fumigation of soil prior to planting crops and for postharvest fumigation of agricultural commodities. As a result, the U.S. use of methyl bromide has been reduced by 97 percent compared to 1991 baseline levels. Further research is currently addressing the remaining 3 percent of use.

USDA funded projects have facilitated increased cooperation and collaboration among USDA, universities, private sector scientists, and grower associations to bring as many resources to bear as possible to replace methyl bromide. USDA meets regularly with commodity representatives and growers to discuss its methyl bromide research and related programs. Annually since 1994, USDA has co-sponsored an international meeting of Federal, State, and industry scientists to discuss among themselves and with impacted industry representatives current research efforts to develop methyl bromide alternatives. This meeting continues to be the premier world meeting on methyl bromide alternatives.

The Montreal Protocol allows fumigations to address pests during agricultural production when there are no other practical treatments, through the critical use exemption process. These exemptions are granted on an annual basis by the Parties to the Montreal Protocol. In addition to the work discussed above, USDA supports U.S. growers by providing data and justification for the U.S. request for critical use exemptions. At the Meeting of the Parties to the Montreal Protocol in November 2012, the U.S. delegation secured its full request for critical use exemptions for methyl bromide for calendar year 2014, including strawberries, mills and food processing structures, cured pork, and dried fruit. USDA will continue to work on methyl bromide issues in FY 2013-2014.

#### CCC SECTION 11

Mr. Aderholt: Please provide for the record a detailed listing of the CCC Section 11 (Cooperation with Other Federal Government Agencies) transfers and reimbursements reflected for fiscal years 2011 and 2012. Provide an estimate for fiscal years 2013 and 2014.

Response: The information is provided for the record.

[The information follows:]

Allocations of the Section 11 funds have been finalized for fiscal years (FY) 2011 and 2012, and are shown in the following table. The table also details the pending FY 2013 allocation that is subject to revision. Because Section 11 funding decisions involve a lengthy collaborative process, including approval by the Office of Management and Budget, it is too early to provide reliable estimates for FY 2014. The allocations for FY 2013 below reflect a 5.1 percent reduction in accordance with the sequestration order signed by the President on March 1, 2013.

Agency	Description	Amount Obligated FY 2011	Amount Obligated FY 2012	FY 2013 Requested to date
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Agency	Description	Amount Obligated FY 2011	Amount Obligated FY 2012	FY 2013 Requested to date
Agricultural Marketing Service	To provide CCC all cotton classification information from the AMS regional classification offices.	\$400,000	\$400,000	\$379,600
Agricultural Marketing Service	To perform re- inspection on CCC inventory of non-fat dry milk and salmonella testing	5,000	5,000	0
Agricultural Marketing Service	Peanut Compliance Program	750,000	750,000	654,810
Department of Energy	To provide technical support in the areas of hazardous waste assessments in former CCC/USDA sites for operations and maintenance.	3,960,000	4,350,000	3,995,290
Department of Interior	To provide contractor support to maintain the General Sales Manager Export Credit Guarantee system and Data Mart.	923,000	1,025,000	996,450

Agency	Description	Amount Obligated FY 2011	Amount Obligated FY 2012	FY 2013 Requested to date
Farm Service Agency	To provide technical support in the areas of hazardous waste assessments in former CCC/USDA sites for operations and maintenance.	100,000	300,000	0
Farm Service Agency	To provide loan service charges and other administrative reimbursements.	4,715,431	4,337,043	4,080,700
Farm Service Agency	To conduct activities in support of International Food Assistance Programs.	6,496,387	9,559,098	9,263,334
Farm Service Agency	Technical Assistance for Biomass Crop Assistance Program	2,000,000	0	0
Foreign Agricultural Service	To provide information resource management services required to support CCC programs.	18,000,000	18,400,000	17,461,600
Foreign Agricultural Service	To conduct activities in support of International Food Assistance Programs.	120,000	120,000	113,880

Agency	Description	Amount Obligated FY 2011	Amount Obligated FY 2012	FY 2013 Requested to date
Foreign Agricultural Service	Provide FFAS with FAS- contracted remote sensing imagery.	1,500,000	1,500,000	1,423,500
Foreign Agricultural Service	To support Non- CCC related information technology activities	4,000,000	5,000,000	4,745,000
Foreign Agricultural Service	Salaries and benefits of positions supporting CCC programs	4,400,000	0	0
Grain Inspection, Packers and Stockyards Administration	To provide funds for inspection services and packaging testing on products provided under domestic feeding programs.	0	0	47,450
Grain Inspection, Packers and Stockyards Administration/and or Agricultural Marketing Services	To provide sampling and testing funds paid to the GIPSA for costs associated with sampling and testing Corn- Soy Blend (CSB).	2,500,000	1,300,000	1,423,500
Grain Inspection, Packers and Stockyards Administration	To provide funds for inspection services and packaging testing on products	0	0	47,450

Agency	Description	Amount Obligated FY 2011	Amount Obligated FY 2012	FY 2013 Requested to date
	provided under domestic feeding programs.			
Grain Inspection, Packers and Stockyards Administration/and or Agricultural Marketing Services	To provide sampling and testing funds paid to the GIPSA for costs associated with sampling and testing Corn-Soy Blend (CSB).	2,500,000	1,300,000	1,423,500
Foreign Agricultural Service	Salaries and benefits of positions supporting CCC programs	4,400,000	0	0
Grain Inspection, Packers and Stockyards Administration	To provide funds for inspection services and packaging testing on products provided under domestic feeding programs.	0	0	47,450
Grain Inspection, Packers and Stockyards Administration/and or Agricultural Marketing Services	To provide sampling and testing funds paid to the GIPSA for costs associated with sampling and testing Corn-Soy Blend (CSB).	2,500,000	1,300,000	1,423,500

Agency	Description	Amount Obligated FY 2011	Amount Obligated FY 2012	FY 2013 Requested to date
Nebraska Department of Environmental Quality	To provide technical support in the areas of hazardous waste assessments in former CCC/USDA sites for operations and maintenance.	20,000	30,000	18,980
National Agricultural Statistics Service	To provide FSA with county estimates on selected row crops, small grains, oilseeds, and processed vegetables.	100,000	100,000	94,900
National Agricultural Statistics Service	To provide price data for programs authorized in 2008 Farm Bill.	2,500,000	2,500,000	2,372,500
National Agricultural Statistics Service	To conduct a weekly survey of farmer stock peanut prices by variety.	200,000	200,000	189,800
Office of the General Counsel	To provide legal services to CCC in the operation of its programs and activities.	250,000	350,000	284,700

Agency	Description	Amount Obligated FY 2011	Amount Obligated FY 2012	FY 2013 Requested to date
Office of the General Counsel	To conduct activities in support of International Food Assistance Programs.	100,000	100,000	94,900
Total Transfers and Reimbursables		\$53,119,818	\$50,346,141	\$47,880,027

Mr. Aderholt: What activities are not being funded through CCC Section 11 that, under current law, would fall within that funding authority? How are these activities being funded?

Response: The statutory cap on Section 11 funding established by the Agricultural Market Transition Act, P. L. 104-127, on April 4, 1996, has limited annual funding to the FY 1995 level of \$56,102,727. Initial requests totaling \$67.4 million had been received in FY 2013, and of this amount \$11.3 million exceeded the statutory cap. However, after enactment of the American Taxpayer Relief Act of 2012 and discussions with the offices requesting the funds it was determined that these additional funding requests were no longer needed.

Section 11 of the CCC Charter Act (15 U.S.C. 714i), authorizes CCC to pay the costs of personnel, services, facilities, and information of any Federal Government, State, Territory, District of Columbia, or any political subdivision agency which assists the CCC in conducting its business.

#### COMMON COMPUTING ENVIRONMENT

Mr. Aderholt: Describe your 2012 and 2013 activities and costs for Common Computing Environment in each of the respective agencies and in OCIO if applicable.

Response: The Common Computing Environment was modernized to reflect two main goals: centralization of program data from the Service Center Agencies (Farm Service Agency (FSA); Natural Resources Conservation Service (NRCS); and Rural Development (RD)) and optimization of infrastructure management. The modernization Common Computing Environment is called the Optimized Computing Environment (OCE).

Where the Common Computing Environment originally provided servers to the USDA Service Centers to house data locally, OCE consolidates user and program data at the National Information Technology Center, a secure, Level 4 accredited, and Energy Star-rated data center. Centralizing the management of field architecture and mobile devices provides a single primary point of control to those systems. This ensures consistency of security policies and

compliance, effective monitoring, and expedited resolution of security incidents and issues.

The OCE investment budget was \$30 million for both fiscal years 2012 and 2013. This \$30 million was based on the following contributions from the FSA, NRCS, and RD:

- FSA - \$13 million
- NRCS - \$12.5 million
- RD - \$4.5 million

Since OCIO manages the OCE investment, the agencies reimburse OCIO for these services. The focus of the OCE program is to both support the agencies' modernization initiatives and to refresh existing IT infrastructure. I have asked the CIO to provide further detail on the specific activities and costs for OCE in 2012 and 2013.

[The information follows:]

Through OCE, USDA plans to realize the following benefits for FSA, NRCS, and RD:

- Improved Network Performance
- Improved VoIP Availability and Performance
- Modernized Technology
- Right-Sized Systems to Meet Individual Business Needs
- Minimized Business Service Outages
- Enhanced File Storage Capabilities

Below is a listing of the FY2012 and FY2013 OCE activities, and their respective costs:

## FY 2012

Core Head End infrastructure modernization and Wide Area Network (WAN) Optimization	\$2,250,611
Field Service Center (FSC) Hardware Deployment, including the modernization of Service Center Network Hardware and WAN Optimization deployment	26,918,088
Next Generation Mobility Management	750,000
Expansion of Network Monitoring	57,345
Auxiliary Voice Over Internet Protocol Handset Deployment	<u>23,956</u>
Total FY 2012	<u>\$30,000,000</u>

## FY 2013

Expansion of FSC WAN Optimization - Deploy New Network Optimization Hardware and Client Software	\$11,200,000
VoIP Eastern Gateway and Call Center Infrastructure Replacement	2,000,000
Head End Core Component Modernization	5,600,000
Server Virtualization and Storage Backup Configuration	1,200,000
FSC VoIP Site Installation	<u>10,000,000</u>
Total FY 2013	<u>\$30,000,000</u>

## UNAUTHORIZED PROGRAMS

Mr. Aderholt: Provide for the record a list of any unauthorized appropriations included in the fiscal year 2014 budget. How many requests are there in the budget that exceeds the authorized amount for the program? Which ones?

Response: The information is provided for the record.

[The information follows:]

**Appropriations Not Authorized by Law and Expiring Authorizations**  
(Dollars in Thousands)

Agency/Program	Last Year of Authorization	Authorization level	Appropriations in last year of authorization	2014 Appropriations request
<i>Programs not currently authorized by law or expiring on or before September 30, 2013.</i>				
<u>Farm Service Agency</u>				
Dairy Indemnity Program	9/30/2013	Such sums	Such sums	Such sums
<u>Food and Nutrition Service</u>				
Supplemental Nutrition Assistance Program	9/30/2013	Such sums	\$77,290,135	\$78,389,610
Commodity Supplemental Food Program	9/30/2013	Prior year caseload	182,237	202,684
The Emergency Food Assistance Program	9/30/2013	\$100,000	48,160	51,401
<u>Foreign Agricultural Service</u>				
McGovern-Dole International Food for Education Program	9/30/2013	Such sums	183,831	185,126
<u>National Institute of Food and Agriculture</u>				
Grants to upgrade facilities at 1890 institutions	9/30/2013	25,000	18,850	19,336
Education grants for Hispanic-serving institutions	9/30/2013	40,000	8,987	9,219
Extension service	9/30/2013	Such sums	463,896	459,037
Integrated research, education and extension competitive grants program	9/30/2013	Such sums	20,942	28,129
1994 institution research grants	9/30/2013	Such sums	1,756	1,801
Grants for insular areas	9/30/2013	Such Sums	1,609	1,650
Agriculture and Food Research Initiative	9/30/2013	700,000	290,468	383,376
<u>Rural Business-Cooperative Service</u>				
Value-added Agricultural Product Market Development Grants	9/30/2013	40,000	14,623	15,000
Appropriate Technology Transfer for Rural Areas	9/30/2013	5,000	2,193	2,250
Rural Microentrepreneur Assistance Program	9/30/2013	40,000	0	1,405
Rural Energy for America Program	9/30/2013	25,000	3,315	19,741
Rural Business and Cooperative Grants Program	No prior authorization	0	0	55,000

**Appropriations Not Authorized by Law and Expiring Authorizations**  
(Dollars in Thousands)

Agency/Program	Last Year of Authorization	Authorization level	Appropriations in last year of authorization	2014 Appropriations request
<u>Rural Housing Service</u>				
Tribal College and University essential community facilities	9/30/2013	10,000	3,284	4,000
Multi-family Housing Revitalization Program	9/30/2013	13,000	27,084	32,575
<u>Rural Utilities Service</u>				
Distance Learning and Telemedicine	9/30/2013	100,000	24,323	24,950
Access to broadband telecommunication services in rural areas	9/30/2013	25,000	3,899	8,268
Broadband Telecommunications Grants	9/30/2013	10,372	10,111	10,372

Note: List does not include expiring programs for which no funding is requested in the 2014 President's Budget.

NUTRITION EDUCATION

Mr. Aderholt: Please provide a table listing the discretionary and mandatory resources spent for nutrition education by the Department for fiscal years 2009 through 2012, and estimated levels for 2013 as well as the requested amount for 2014. List each agency amount separately, and include a Department-wide total for each year.

Response: The information is provided for the record.

[The information follows:]

USDA Nutrition Education  
Fiscal Years 2009 - 2014  
(dollars in thousands)

	2009		2010		2011		2012		2013		2014	
	Actual		Actual		Actual		Actual		Estimate		Budget	
	Discretionary	Mandatory	Discretionary	Mandatory	Discretionary	Mandatory	Discretionary	Mandatory	Discretionary	Mandatory	Discretionary	Mandatory
Agricultural Research Service	\$54	0	\$54	0	\$53	0	\$53	0	\$53	0	\$53	0
Economic Research Service	93	0	93	0	93	0	93	0	93	0	96	0
Food and Nutrition Service	567,661	\$29,786	698,471	\$34,206	735,614	\$36,460	652,336	\$43,731	674,669	\$38,332	698,261	\$44,045
National Institute of Food and Agriculture	86,996	0	106,379	0	124,311	0	91,639	0	92,439	0	94,638	0
Total, USDA Nutrition Education	635,314	29,786	805,209	34,266	860,383	36,460	744,633	43,731	767,386	38,332	791,358	44,045

## FINANCIAL MANAGEMENT MODERNIZATION INITIATIVE

Mr. Aderholt: USDA began implementing the Financial Management Modernization Initiative (FMMI) in October 2009. Provide the Committee with the total amount spent on FMMI by year from its fiscal year 2010 to fiscal year 2012. In addition, please provide a cost estimate to transition the remaining agencies to FMMI by fiscal year starting in fiscal year 2012. Lastly, provide a breakout of operations and maintenance costs for FMMI from FY 2013 to FY 2014.

Response: Implementation activities for the Financial Management Modernization Initiative began at the end of fiscal year 2006 when the system integration contract was awarded to Accenture. The first wave of the implementation began with the deployment to six agencies and 13 staff offices in fiscal year 2010; four additional agencies were implemented during fiscal year 2011. During fiscal year 2012, four agencies were implemented. The final agency was implemented and deployed during the first quarter of fiscal year 2013. A detailed break out of the funding is provided below.

[The information follows:]

Financial Management Modernization Initiative (Amounts in Thousands)					
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>Capital Obligations</b>	\$29,931	\$23,078	\$29,950		
<b>Complete FMMI Deployments</b>			17,277	\$3,422	
<b>Operations and Maintenance:</b>				64,084	\$62,780
Salaries and Benefits				12,938	16,010
Support Services				32,502	27,084
Intra-government Payment				18,644	19,686

## HOMELAND SECURITY

Mr. Aderholt: What types of activities is the Department engaged in to prevent or minimize the chances of an attack on the food supply? Please provide a detailed breakout of costs per Agency for food defense activities from FY 2009 to estimated FY 2013 and planned amounts in the FY 2014 President's Budget.

Response: USDA engages in a comprehensive approach to food and agriculture preparedness and defense that includes an array of activities to prevent, protect against, mitigate, respond to, and recover from threats and hazards of greatest risk including an attack on the food supply. Activities include planning; operational coordination; risk communications; intelligence and information sharing; screening, search, and detection (e.g., surveillance); laboratory capability and capacity; vulnerability assessments; identification and implementation of countermeasures; outreach and professional development; and research and development. A detailed breakout of costs per Agency for food defense activities is provided below.

[The information follows:]

**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**Food Defense Initiative**  
(Dollars in Millions)

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
	<b>Agency</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>March 27 CR (H.J. Res. 117)</b>	<b>President's Budget</b>
<b>Food Defense:</b>						
Surveillance and Monitoring.....	FSIS	\$3,215	\$3,215	\$3,215	\$0,753	\$0,753
Food Emergency Response Network (FERN).....	FSIS	7,254	11,350	7,254	3,900	3,900
Implement the Electronic Laboratory Exchange Network (eLEXNET) in Laboratories.....	FSIS	1,587	1,587	1,587	0,400	0,400
Implement the Electronic Compilation of Analytical Methods for Data Sharing in Laboratories.....	FSIS	0,638	0,638	0,638	0,000	0,000
FSIS Enhanced Inspections (hired an additional 20 inspectors).....	FSIS	2,421	2,469	2,494	2,519	2,613
Physical Security.....	FSIS	0,248	0,248	0,248	0,060	0,050
Expand Laboratory Capabilities.....	FSIS	3,099	3,099	0,000	0,000	0,000
Expand Laboratory Capabilities for Chemical and Radiological Threats.....	FSIS	2,470	2,470	0,000	0,000	0,000
Technical Assistance to States/Local.....	FSIS	2,198	2,198	2,198	1,961	1,961
Office of Food Security and Emergency Preparedness.....	FSIS	2,224	2,269	2,292	2,315	2,401
Education/Training.....	FSIS	2,485	2,485	2,485	0,000	0,000
Research.....	ARS	9,133	10,439	10,019	10,020	10,020
<b>Total, Food Defense.....</b>		<b>36,972</b>	<b>42,467</b>	<b>32,430</b>	<b>21,928</b>	<b>21,098</b>

Mr. Aderholt: Please tell the Committee what USDA is doing to coordinate efforts with other federal, state or local organizations to protect human health, and the food, agriculture, and environmental sectors.

Response: The U.S. Government, in collaboration with State, Local, Tribal, and Territorial (SLTT) and private sector partners, has made significant progress to increase the security and resilience of the Nation's food and agriculture sector. USDA, along with the Food and Drug Administration (FDA) serves as the Sector Specific Agency and co-chair of the Food and Agriculture Government Coordinating Council (GCC). The GCC consists of representatives from Federal and SLTT partners and works closely with private sector counterparts through the Sector Coordinating Council. Through this public-private partnership model, USDA engages with partners and stakeholders on a routine basis to promote a transparent and collaborative partnership to support secure and resilient food and agriculture networks and systems. This includes cross-sector collaboration with Healthcare and Public Health, Energy, Transportation, and Water Sectors as well as law enforcement and emergency managers at all levels of government. Along with GCC and SCC partners, USDA nurtures productive partnerships; facilitates information sharing, best practices, and outreach; leverages and promotes tools and resources; and leads, plans, and coordinates on food and agriculture sector resilience. In addition, USDA actively participates in interagency policy committees, technical workgroups, and other for a to ensure partnership and collaboration.

#### HQ EMPLOYMENT

Mr. Aderholt: For the record, provide a table, by agency/office, showing Washington D.C. headquarters personnel broken out between FS and SES for FY 2010 to FY 2012.

Response: The information is provided for the record.

[The information follows:]

Washington, DC  
Headquarters Employees  
By Agency  
Employment as of September 30

	2010	2011	2012	2013
Agency	Actual	Actual	Actual	Estimate
Farm Service Agency				
SES .....	10	8	11	11
GS .....	1,156	1,111	1,147	1,108
Risk Management Agency				
SES .....	4	4	4	4
GS .....	78	71	62	62
Foreign Agricultural Service				
SES .....	6	2	2	2
GS .....	524	580	496	496
Rural Development				
SES .....	18	18	20	20
GS .....	1,631	1,716	1,565	1,604
Food and Nutrition Service				
SES .....	8	8	9	9
GS .....	522	521	516	561
Food Safety and Inspection Service				
SES .....	19	18	18	18
GS .....	0	0	0	0
SL .....	3	3	3	3
Other .....	704	683	683	683
Natural Resources Conservation Service				
SES .....	21	20	20	23
GS .....	381	391	376	370
Animal and Plant Health Inspection Service				
SES .....	26	24	25	25
GS .....	1,275	1,239	1,153	1,139
Other .....	32	19	26	27
Agricultural Marketing Service				
SES .....	11	11	11	11
GS .....	560	542	533	561
Grain Inspection, Packers and Stockyards Administration				
SES .....	3	3	4	4
GS .....	90	86	77	77
Agricultural Research Service				
SES .....	16	16	14	15
GS .....	494	484	476	475
National Institute of Food and Agriculture				
SES .....	8	8	8	8
GS .....	368	386	385	390
Economic Research Service				
SES .....	8	8	6	6
GS .....	368	365	369	380
National Agricultural Statistics Service				
SES .....	11	10	10	10
GS .....	431	421	413	487
Departmental Administration				
SES .....	7	6	7	7
GS .....	363	321	255	288
Homeland Security Staff				
SES .....	1	1	2	2
GS .....	30	48	53	53

Washington, DC  
Headquarters Employees  
By Agency  
Employment as of September 30

Agency	2010 Actual	2011 Actual	2012 Actual	2013 Estimate
National Appeals Division				
SES .....	1	1	1	1
GS .....	23	24	24	25
Office of Advocacy and Outreach				
SES .....	1	1	1	1
GS .....	46	39	49	52
Office of Budget and Program Analysis				
SES .....	5	5	5	5
GS .....	38	40	42	44
Office of the General Counsel				
SES .....	17	11	11	13
GS .....	142	134	132	130
Office of the Inspector General				
SES .....	8	8	8	8
GS .....	141	155	121	126
Office of Civil Rights				
SES .....	2	2	2	2
GS .....	130	126	121	132
Office of Communications				
SES .....	2	2	2	2
GS .....	69	63	59	60
Office of the Chief Economist				
SES .....	4	5	5	5
GS .....	45	44	43	46
Office of the Chief Financial Officer				
SES .....	1	2	2	2
GS .....	43	35	37	40
Office of the Chief Information Officer				
SES .....	6	6	6	6
GS .....	67	77	76	86
Office of the Secretary				
SES .....	39	42	38	43
GS .....	57	76	72	80
Total, USDA				
SES .....	263	250	252	263
GS .....	9,072	9,095	8,652	8,872
SL .....	3	3	3	3
Other .....	736	702	709	710

WORKING CAPITAL FUND AND GREENBOOK CHARGES

Mr. Aderholt: Please provide the Committee with a full breakdown of charges and expenses in the Department's Working Capital Fund and Greenbook charges by Agency for Fiscal Years 2008 through estimated 2013.

Response: The information is provided for the record.

[The information follows:]

WORKING CAPITAL FUND - USDA AGENCY INCOME						
FY 2008 - 2013 (amounts in thousands)						
Agency	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Est.*
Agricultural Marketing Service	\$6,925	\$8,627	\$10,346	\$10,738	\$11,092	\$12,363
Agricultural Research Service	12,493	13,262	13,489	14,921	13,465	15,008
Animal and Plant Health Insp. Service	18,490	17,386	19,348	18,480	20,416	22,756
Departmental Administration	6,011	6,646	16,564	19,900	11,865	13,225
Economic Research Service	693	774	729	784	1,187	1,323
Farm Service Agency	133,313	146,516	167,690	122,248	136,853	152,539
Food and Nutrition Service	3,813	3,804	3,966	4,321	5,563	6,201
Food Safety and Inspection Service	14,861	18,771	20,832	19,678	17,767	19,803
Foreign Agricultural Service	4,446	7,209	10,142	9,357	22,352	24,914
Forest Service	88,348	95,022	88,084	95,185	97,265	108,412
Grain Insp., Packers & Stockyard Adm.	1,666	1,733	1,993	1,967	2,150	2,396
National Agricultural Statistics Service	3,337	3,503	3,391	3,686	766	854
National Appeals Division	521	586	631	737	3,713	4,139
Natl. Institute of Food and Agriculture	1,900	1,968	2,122	2,180	1,448	1,614
Natural Resources Conservation Service	120,341	118,949	124,216	117,753	127,445	142,051
Office of Advocacy and Outreach	0	0	14	444	536	597
Office of Budget and Program Analysis	163	170	198	164	252	281
Office of Chief Economist	363	368	315	316	328	366
Office of Civil Rights	1,640	1,535	1,177	1,567	868	967
Office of Communications	637	704	629	748	525	585
Office of the General Counsel	836	875	843	821	686	765
Office of Homeland Security/Emer. Coord.	0	0	0	4	4,556	5,078
Office of the Inspector General	1,391	1,505	1,406	1,832	1,637	1,825
Office of the Chief Financial Officer	48,211	37,319	41,561	38,598	42,862	47,774
Office of the Chief Information Officer	44,855	35,038	21,598	62,111	49,398	55,059
Office of the Secretary	1,088	921	999	1,195	732	816
Risk Management Agency	2,311	1,060	1,736	1,302	1,323	1,475
Rural Development	74,753	72,064	76,409	76,640	65,695	73,224
<b>WCF Totals</b>	<b>593,567</b>	<b>596,542</b>	<b>630,633</b>	<b>627,957</b>	<b>643,132</b>	<b>716,841</b>

\* "FY 2013 Estimate" reflects estimated charges based on history and expected work demand from agency customers. Actual charges will reflect actual use of services only, and are likely to differ from estimates included here.

DEPARTMENTAL REIMBURSABLE PROGRAMS - USDA AGENCY INCOME						
FY 2008 - 2013 (amounts in thousands)						
Agency	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Est.
Agricultural Marketing Service	\$1,044	\$1,047	\$886	\$882	\$903	\$937
Agricultural Research Service	3,862	3,868	3,128	2,349	2,505	2,396
Animal and Plant Health Insp. Service	3,707	3,764	2,686	2,641	2,677	2,573
Departmental Administration	173	173	150	190	210	225
Economic Research Service	169	171	114	159	158	166
Farm Service Agency	5,852	5,948	4,117	4,036	4,016	3,831
Food and Nutrition Service	723	749	390	510	513	491
Food Safety and Inspection Service	3,543	3,569	2,815	2,795	2,860	2,939
Foreign Agricultural Service	713	728	501	613	616	593
Forest Service	14,894	15,169	9,641	10,306	10,187	10,106
Grain Insp., Packers & Stockyard Adm.	290	296	204	270	280	229
National Agricultural Statistics Service	474	482	327	378	371	418
National Appeals Division	38	38	28	30	31	29
Natl. Institute of Food and Agriculture	212	219	133	184	170	179
Natural Resources Conservation Service	4,298	4,333	3,462	3,847	3,663	3,324
Office of Advocacy and Outreach	0	0	0	0	6	8
Office of Budget and Program Analysis	24	24	18	24	23	21
Office of Chief Economist	51	55	16	25	23	23
Office of Civil Rights	65	67	35	57	52	55
Office of Communications	34	34	28	41	39	38
Office of the General Counsel	124	125	92	106	104	112
Office of Homeland Security/Emer. Coord.	0	0	0	0	10	25
Office of the Inspector General	403	400	339	279	283	214
Office of the Chief Financial Officer	763	777	517	452	469	481
Office of the Chief Information Officer	1,401	1,546	337	318	322	461
Office of the Executive Secretariat	6	6	0	3	10	10
Office of the Secretary	32	31	13	12	12	57

DEPARTMENTAL REIMBURSABLE PROGRAMS - USDA AGENCY INCOME						
FY 2008 - 2013 (amounts in thousands)						
Agency	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Est.
Risk Management Agency	206	206	154	167	166	158
Rural Development	2,548	2,581	1,811	1,893	1,856	1,679
<b>DRP Totals</b>	<b>45,649</b>	<b>46,406</b>	<b>31,942</b>	<b>32,567</b>	<b>32,533</b>	<b>31,778</b>

## PAY INCREASE

Mr. Aderholt: Please provide a breakout of which agencies absorb the .5 percent pay increase and which ones are asking for additional appropriations.

Response: All agencies in USDA requested additional appropriations for the requested pay increase.

## BONUS AND AWARDS

Mr. Aderholt: Please provide for the record summary of total bonus and award resources (total number of awards/bonuses and dollar amount) for every position type (i.e., SES, SL/ST, GS, etc.) in each appropriation account for USDA for fiscal years 2011 and 2012. Provide a separate breakout for expected positions. Do not exclude any type of bonus or award payment (e.g., include all types of monetary payments, including incentives, individual and group awards, bonuses, performance awards, Presidential Rank Awards, etc.). In addition to the summary level data, provide the Subcommittee with an electronic file (excel format) containing the data requested above on an individual basis without personally identifiable information. Lastly, for each appropriation account, provide the Subcommittee with the total number of promotions, with-in grade increases or promotion equivalents under FSIS's public Health Human Resources System (PHHRS) for fiscal years 2009, 2010, and 2011.

Response: The information is submitted for the record. As requested, the data includes payments for all types of performance awards as well as incentives such as recruitment and retention bonuses. The information was provided from the Agency personnel systems. The electronic file containing data on individual awards will be submitted to the Subcommittee as requested.

Clerk's Note: The electronic information requested is on record with the Subcommittee.

[The information follows:]

**Bonuses and Awards Summary**  
(Dollars in Thousands)

Agency	SES			Other			Excepted Positions			Total	
	FY	Number of Awards	Amount Awarded	Number of Awards	Amount Awarded		Number of Awards	Amount Awarded		Number of Awards	Amount Awarded
Farm Service Agency-Federal	2011	6	\$32.2	15	\$29.7		0	\$0.0		21	\$61.9
Farm Service Agency-Federal	2012	4	\$35.9	18	\$18.8		0	\$0.0		22	\$54.7
Farm Service Agency-County	2011	0	\$0.0	0	\$0.0		3	\$3.0		3	\$3.0
Farm Service Agency-County	2012	0	\$0.0	0	\$0.0		0	\$0.0		0	\$0.0
Foreign Agricultural Service	2011	22	\$153.0	1,199	\$1,332.3		0	\$0.0		1,221	\$1,485.3
Foreign Agricultural Service	2012	18	\$119.2	865	\$934.7		0	\$0.0		883	\$1,053.9
Risk Management Agency	2011	10	\$56.7	359	\$467.0		0	\$0.0		409	\$523.7
Risk Management Agency	2012	8	\$131.0	401	\$413.7		0	\$0.0		409	\$534.7
Natural Resources Conservation Service	2011	18	\$135.8	8,510	\$8,914.5		0	\$0.0		8,528	\$9,050.3
Natural Resources Conservation Service	2012	19	\$130.1	8,027	\$6,713.4		0	\$0.0		8,046	\$6,843.5
Rural Development	2011	14	\$136.5	2,524	\$2,041.2		57	\$31.4		2,595	\$2,199.1
Rural Development	2012	8	\$74.0	1,142	\$854.5		43	\$23.0		1,193	\$951.5
Food and Nutrition Service	2011	0	\$0.0	1,582	\$1,631.2		16	\$142.2		1,598	\$1,773.4
Food and Nutrition Service	2012	0	\$0.0	1,289	\$1,223.3		14	\$156.6		1,303	\$1,345.9
Food Safety and Inspection Service	2011	24	\$202.0	5,786	\$6,033.9		594	\$456.6		6,354	\$6,692.5
Food Safety and Inspection Service	2012	13	\$106.5	6,124	\$5,634.3		595	\$455.5		6,722	\$6,196.9
Animal and Plant Health Inspection Service	2011	38	\$372.7	5,880	\$6,825.7		0	\$0.0		5,918	\$7,198.4
Animal and Plant Health Inspection Service	2012	50	\$418.3	4,577	\$4,657.2		0	\$0.0		4,627	\$5,075.5
Agricultural Marketing Service	2011	0	\$0.0	1,903	\$2,113.0		0	\$0.0		1,903	\$2,113.0
Agricultural Marketing Service	2012	3	\$15.0	1,677	\$1,429.0		0	\$0.0		1,680	\$1,444.0
Grain Inspection, Packers and Stockyards Administration	2011	2	\$17.7	394	\$453.2		0	\$0.0		396	\$470.7
Grain Inspection, Packers and Stockyards Administration	2012	2	\$16.8	456	\$342.8		0	\$0.0		458	\$359.6
Agricultural Research Service	2011	34	\$386.8	8,093	\$10,567.9		5	\$15.3		8,132	\$10,864.7
Agricultural Research Service	2012	37	\$348.9	5,822	\$5,863.2		15	\$62.6		5,874	\$6,274.7
National Institute of Food and Agriculture	2011	10	\$77.8	411	\$610.6		10	\$6.5		421	\$694.9
National Institute of Food and Agriculture	2012	5	\$42.4	472	\$481.3		7	\$5.3		484	\$529.0
Economic Research Service	2011	6	\$62.9	855	\$981.0		5	\$7.4		866	\$1,051.3
Economic Research Service	2012	4	\$37.0	644	\$606.1		10	\$5.0		658	\$648.1
National Agricultural Statistics Service	2011	7	\$85.7	1,605	\$1,296.8		0	\$0.0		1,612	\$1,492.5
National Agricultural Statistics Service	2012	11	\$109.6	1,234	\$615.2		0	\$0.0		1,245	\$724.8
Office of the Secretary	2011	4	\$141.0	31	\$73.0		0	\$0.0		35	\$214.0
Office of the Secretary	2012	6	\$62.0	38	\$73.0		0	\$0.0		44	\$135.0

Agency	FY	SES		Other		Excepted Positions		Total	
		Number of Awards	Amount Awarded	Number of Awards	Amount Awarded	Number of Awards	Amount Awarded	Number of Awards	Amount Awarded
Departmental Administration	2011	6	\$52.0	360	\$708.0	0	\$0.0	366	\$760.0
Departmental Administration	2012	9	\$140.0	370	\$329.0	0	\$0.0	379	\$469.0
Office of Communications	2011	0	\$0.0	4	\$4.0	0	\$0.0	4	\$4.0
Office of Communications	2012	1	\$8.0	3	\$7.0	0	\$0.0	4	\$15.0
Office of Civil Rights	2011	0	\$0.0	44	\$96.0	0	\$0.0	44	\$96.0
Office of Civil Rights	2012	0	\$0.0	58	\$72.0	0	\$0.0	58	\$72.0
Office of Budget and Program Analysis	2011	4	\$36.0	33	\$98.0	0	\$0.0	37	\$134.0
Office of Budget and Program Analysis	2012	4	\$37.0	29	\$47.0	0	\$0.0	33	\$84.0
Office of the Chief Economist	2011	5	\$39.0	40	\$58.0	0	\$0.0	45	\$97.0
Office of the Chief Economist	2012	5	\$41.0	41	\$63.0	0	\$0.0	46	\$104.0
National Appeals Division	2011	0	\$0.0	104	\$184.0	0	\$0.0	104	\$184.0
National Appeals Division	2012	1	\$2.0	100	\$69.0	0	\$0.0	101	\$71.0
Office of the Chief Financial Officer	2011	0	\$0.0	17	\$51.0	0	\$0.0	17	\$51.0
Office of the Chief Financial Officer	2012	1	\$10.0	13	\$18.0	0	\$0.0	14	\$28.0
Office of the Chief Information Officer	2011	8	\$62.0	122	\$213.0	0	\$0.0	130	\$275.0
Office of the Chief Information Officer	2012	2	\$4.0	75	\$108.0	0	\$0.0	77	\$112.0
Office of Homeland Security	2011	1	\$8.0	7	\$10.0	0	\$0.0	8	\$18.0
Office of Homeland Security	2012	0	\$0.0	35	\$37.0	0	\$0.0	35	\$37.0
Office of Advocacy and Outreach	2011	0	\$0.0	8	\$15.0	0	\$0.0	8	\$15.0
Office of Advocacy and Outreach	2012	0	\$0.0	35	\$46.0	0	\$0.0	35	\$46.0
Office of the General Counsel	2011	13	\$171.3	0	\$0.0	0	\$0.0	13	\$171.3
Office of the General Counsel	2012	13	\$118.2	294	\$311.5	0	\$0.0	307	\$429.7
Office of Inspector General	2011	4	\$91.0	452	\$386.0	0	\$0.0	456	\$477.0
Office of Inspector General	2012	9	\$75.0	520	\$812.0	0	\$0.0	529	\$887.0
<b>USDA, Total</b>	<b>2011</b>	<b>236</b>	<b>\$2,190.0</b>	<b>40,378</b>	<b>\$45,293.9</b>	<b>640</b>	<b>\$662.4</b>	<b>41,254</b>	<b>\$48,131.0</b>
	<b>2012</b>	<b>233</b>	<b>\$2,071.9</b>	<b>34,339</b>	<b>\$31,780.7</b>	<b>674</b>	<b>\$678.0</b>	<b>35,246</b>	<b>\$34,530.6</b>

## Total Number of Promotions and Within-Grade Increases

Agency	Fiscal Years		
	FY 2010	FY 2011	FY 2012
<b>Farm Service Agency - FEDERAL:</b>			
Promotions.....	484	530	539
Within-Grade Increases.....	1,956	1,871	1,728
<b>Farm Service Agency - COUNTY:</b>			
Promotions.....	1,146	1,078	1,016
Within-Grade Increases.....	3,535	3,563	3,235
<b>Foreign Agricultural Service:</b>			
Promotions.....	159	146	123
Within-Grade Increases.....	263	275	215
<b>Risk Management Agency:</b>			
Promotions.....	69	80	68
Within-Grade Increases.....	208	221	218
<b>Natural Resources Conservation Service:</b>			
Promotions.....	1,463	1,456	1,091
Within-Grade Increases.....	4,888	5,243	5,216
<b>Rural Development:</b>			
Promotions.....	631	627	424
Within-Grade Increases.....	2,608	2,558	2,249
<b>Food and Nutrition Service:</b>			
Promotions.....	100	109	116
Within-Grade Increases.....	519	602	598
<b>Food Safety and Inspection Service:</b>			
Promotions.....	969	949	902
Within-Grade Increases.....	2,866	2,749	2,662
Promo.Equivalents Under PHRS.....	44	12	6
<b>Animal and Plant Health Inspection Service:</b>			
Promotions.....	746	662	443
Within-Grade Increases.....	3,443	3,395	3,070
<b>Agricultural Marketing Service:</b>			
Promotions.....	237	242	225
Within-Grade Increases.....	1,032	916	957
<b>Grain Inspection, Packers and Stockyards Administration:</b>			
Promotions.....	126	113	108
Within-Grade Increases.....	325	351	336
<b>Agricultural Research Service:</b>			
Promotions.....	622	568	517
Within-Grade Increases.....	3,864	3,490	3,298
<b>National Institute of Food and Agriculture:</b>			
Promotions.....	34	64	61
Within-Grade Increases.....	171	167	142
<b>Economic Research Service:</b>			
Promotions.....	22	19	19
Within-Grade Increases.....	125	142	140
<b>National Agricultural Statistics Service:</b>			
Promotions.....	107	130	146
Within-Grade Increases.....	478	452	442

Agency	Fiscal Years		
	FY 2010	FY 2011	FY 2012
<b>Office of the Secretary:</b>			
Promotions.....	16	16	16
Within-Grade Increases.....	26	36	30
<b>Departmental Administration:</b>			
Promotions.....	77	59	65
Within-Grade Increases.....	108	135	177
<b>Office of Communications:</b>			
Promotions.....	1	6	0
Within-Grade Increases.....	15	25	33
<b>Office of Civil Rights:</b>			
Promotions.....	14	35	20
Within-Grade Increases.....	17	49	57
<b>Office of Budget &amp; Program Analysis:</b>			
Promotions.....	6	9	7
Within-Grade Increases.....	10	18	16
<b>Office of the Chief Economist:</b>			
Promotions.....	2	2	2
Within-Grade Increases.....	18	14	18
<b>National Appeals Division:</b>			
Promotions.....	2	2	3
Within-Grade Increases.....	14	25	35
<b>Office of the Chief Financial Officer:</b>			
Promotions.....	4	4	3
Within-Grade Increases.....	15	4	5
<b>Office of the Chief Information Officer:</b>			
Promotions.....	7	28	10
Within-Grade Increases.....	18	22	28
<b>Office of Homeland Security:</b>			
Promotions.....	0	2	3
Within-Grade Increases.....	3	2	22
<b>Office of Advocacy and Outreach:</b>			
Promotions.....	0	1	14
Within-Grade Increases.....	0	3	27
<b>Office of the General Counsel:</b>			
Promotions.....	27	25	10
Within-Grade Increases.....	115	109	127
<b>Office of Inspector General:</b>			
Promotions.....	102	106	118
Within-Grade Increases.....	252	293	284
<b>USDA:</b>			
Promotions.....	7,173	7,068	6,069
Within-Grade Increases.....	26,892	26,730	25,365
Promo.Equivalents Under PHHRS.....	44	12	6
<b>Total.....</b>	<b>34,109</b>	<b>33,810</b>	<b>31,440</b>

## FOOD SAFETY STAFFING

Mr. Aderholt: How many meat and poultry slaughter and processing inspectors were funded in Fiscal Year 2012 and are currently being funded in Fiscal Year 2013. How many will be funded under the President's budget request?

Response: FSIS inspection program personnel provide inspection services at about 6,263 meat, poultry, and egg processing establishments around the country. FSIS funded 7,649 permanent inspectors in FY 2012 and 7,559 in FY 2013 and anticipates funding an average of 7,306 permanent positions in FY 2014 if the poultry slaughter inspection rule is implemented.

Mr. Aderholt: What is the retention rate for the meat and poultry inspection workforce and how does it compare to historic trends? What is USDA doing to ensure that there is a qualified inspection workforce for the future?

Response: The retention rate of in-plant inspection personnel in 2012 was 84.8 percent. FSIS continues to maintain strong retention rates of over 80 percent per year during the past decade. Attrition rates are monitored so that trends can be incorporated into recruitment plans. FSIS is using a number of mechanisms to ensure that the Agency is able to hire and retain a quality inspection workforce for the future. Some of the tools available to FSIS include:

- Offering relocation incentives to new hires in hard-to-fill or shortage locations.
- Offering college loan repayment incentives to employees in specified locations.
- Offering recruitment incentives to qualified personnel.
- Using Superior Qualifications, GS positions, to set the rate of basic pay above the minimum level.
- Using PHRS pay setting flexibilities to set the rate of basic pay above the minimum of the band.
- Offering performance awards for front-line inspectors.
- Offering a retention incentive for select employees who would be likely to leave Federal service in lieu of the incentive.
- Offering dual waiver compensation for reemployed annuitants.
- Targeting more colleges and diverse groups for potential qualified employees.

Mr. Aderholt: What is the Department's interpretation as to the minimal legal requirement for the number and frequency of inspectors in both slaughter and processing plants? Please provide a distinction for poultry and non-poultry plants as necessary.

Response: The number of inspectors required varies based on plant size, commodity, plant function (slaughter or processing), as well as other factors. Under the Federal Meat Inspection Act, USDA personnel are required to inspect all animals slaughtered ante mortem and post mortem, and under the Poultry Products Inspection Act all carcasses post mortem. Thus, the only distinction is that ante-mortem poultry inspection is performed by lot, rather than animal-by-animal.

USDA personnel inspect each meat and poultry processing establishment at least once per shift per day.

Public Health Information System

Mr. Aderholt: Please provide the Committee with the total costs for the Public Health Information System in each year from FY 2009 to estimated FY 2013.

Response: The information is provided for the record.

[The information follows:]

Public Health Information System Funding (\$ millions)				
FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
\$1.70	\$12.80	\$7.30	\$7.60	\$10.9

DIOXIN

Mr. Aderholt: Please describe the Department's activities related to EPA's Risk Assessment of dioxin. How will EPA's new standard affect USDA's rules, regulations, practices or guidelines regarding food safety production practices and soil conservation standards?

Response: EPA's new standard regarding dioxin is not expected to directly impact USDA rules or regulations pertaining to food safety production practices or soil conservation standards. With respect to food safety matters, USDA will continue to contribute to existing interagency efforts aimed at reducing source emissions, including conducting regularly scheduled surveys of dioxin in meat products. One such survey is on-going, the results of which are slated to be made available by the end of 2013. For our soil conservation programs, we currently conduct a record search to determine if there is a potential hazardous waste site on the property. If the search identifies the potential for such a site, USDA stops the process of procuring the easement. The new EPA standards will not impact this process.

PEST AND DISEASE PREVENTION AND ERADICATION PROGRAMS

Mr. Aderholt: What are the Department's plans for making pest and disease prevention and eradication programs a priority in light of the proposed reductions for FY 2014? What is USDA doing to inform or educate OMB on the need to make these programs a priority?

Response: USDA takes very seriously its mission to protect the health and value of American agriculture and natural resources. In developing the fiscal year 2014 budget request, we reviewed all animal and plant pest and disease programs and considered their effectiveness, efficiency, and programmatic/public need. For example, the request proposes reducing programs where success has been achieved, such as cotton pests, or success is not likely, such as the emerald ash borer. The request also includes funding for pest and disease programs where eradication is possible but additional resources are needed, such as the Asian long-horned beetle and European grapevine moth. The request seeks greater contributions from our partners to address longstanding pest and disease programs.

USDA works closely with the Office of Management and Budget throughout the budget development process to ensure maximum support for these requests.

Mr. Aderholt: Please provide for the Committee a complete list of all fiscal year 2008 through 2012 transfers from the CCC for the arrest and eradication of plant and animal pests and diseases, and those that have been requested, but not yet approved. For all transfers, note the amounts spent to date.

Response: The information is provided for the record.

[The information follows:]

ANIMAL AND PLANT HEALTH INSPECTION SERVICE  
Commodity Credit Corporation Transfers and Obligations

(Dollars in Thousands)

<b>Fiscal Year</b>	<b>Emergency</b>	<b>Transfers</b>	<b>Total Obligations a/</b>
2008	Asian Longhorned Beetle	--	\$764
	Avian Influenza	--	127
	Belgian Sheep	--	7
	Cattle Fever Tick b/	\$5,233	4,082
	Citrus Canker	--	7,260
	Emerald Ash Borer	--	9,128
	Exotic Newcastle Disease	--	63
	Glassy-winged Sharpshooter	--	252
	Infectious Salmon Anemia	--	32
	Light Brown Apple Moth b/	74,539	34,467
	Mediterranean Fruit Fly	--	1,275
	Mexican Fruit Fly	--	584
	Mormon Cricket	--	1,339
	Plum Pox	--	243
	Potato Cyst Nematode	--	9,710
	Pseudorabies	--	91
	Rabies	--	272
	Spring Viremia of Carp	--	50
	Sudden Oak Death	--	1,388
	Tuberculosis	22,928	42,998
	<b>Total</b>	<b>\$102,700</b>	<b>\$114,132</b>
2009	Asian Longhorned Beetle	\$24,533	\$23,967
	Avian Influenza	--	402
	Cattle Fever Tick	4,894	4,768
<b>Fiscal Year</b>	<b>Emergency</b>	<b>Transfers</b>	<b>Total Obligations a/</b>
	Citrus Canker	--	29
	Emerald Ash Borer	--	3,313
	Exotic Newcastle Disease	--	25
	Glassy-winged Sharpshooter	--	252
	Infectious Salmon Anemia	--	30
	Light Brown Apple Moth	--	26,210

	Mediterranean Fruit Fly	--	188
	Mexican Fruit Fly	--	143
	Mormon Cricket	--	1,641
	Potato Cyst Nematode	--	2,080
	Tuberculosis	--	8,215
	<b>Total</b>	<b>\$29,427</b>	<b>\$71,263</b>
2010	Asian Longhorned Beetle b/	\$41,451	\$24,809
	Cattle Fever Tick	--	751
	Grasshopper b/	10,735	4,207
	Light Brown Apple Moth	--	22,068
	Mediterranean Fruit Fly	--	243
	Potato Cyst Nematode	--	138
	Tuberculosis	--	2,462
	<b>Total</b>	<b>\$52,186</b>	<b>\$54,678</b>
2011	Asian Longhorned Beetle	--	\$18,356
	Cattle Fever Tick	--	56
	Emerald Ash Borer	--	122
	European Grapevine Moth b/	\$16,922	14,327
	Grasshopper	--	322
	Light Brown Apple Moth	--	5,702
	Mormon Cricket	--	78
	Potato Cyst Nematode	--	232
	Tuberculosis	--	1,781
	<b>Total</b>	<b>\$16,922</b>	<b>\$40,976</b>
2012	Asian Longhorned Beetle b/	\$14,294	\$10,385
	Cattle Fever Tick	--	34
	European Grapevine Moth	8,000	10,364
	Grasshopper	--	246
	Light Brown Apple Moth	--	1,922
	Mormon Cricket	--	3
	Tuberculosis	--	1,606
	<b>Total</b>	<b>\$22,294</b>	<b>\$24,560</b>

a/ Please note that prior year balances were available in some cases.

b/ Transfer amounts include redirected commodity credit corporation funding from other existing balances.

#### OFFICE OF THE GENERAL COUNSEL

Mr. Aderholt: Please describe the litigation ongoing at USDA. Include a summary of the cases, estimated costs and number of staff assigned to each case.

Response: USDA's Office of the General Counsel provides primary support in the Department's ongoing litigation. Their work is essential to protecting the legal interests of the Department. Their office will provide further details on the specifics of the cases that they handle.

[The information follows:]

The attached documents provide a snapshot of the Office of the General Counsel's (OGC) ongoing litigation in support of USDA's seventeen agencies and sixteen offices. Based on the information available, we estimate that OGC is currently handling over 10,000 litigation matters, including over 206 cases we consider significant because of the associated monetary value or potential impact on USDA's program operations. OGC is handling or assisting in the handling of litigation in all types of tribunals, including

administrative, federal and state trial and appellate courts, and the U.S. Supreme Court. The report on appellate litigation includes cases pending as of May 31, 2013, and the report on other significant litigation is as of April 30, 2013.

We do not have the ability to provide estimates of our litigation costs. For the vast majority of cases, one attorney has primary responsibility for the individual case. However, more than one attorney may be assigned to complex cases, such as class action litigation. All attorneys manage significant litigation and/or counseling workloads.

We estimate that, on average, OGC attorneys spend more than 50 percent of their time on non-litigation matters. Such matters include counseling on statutory requirements, preparing and reviewing documents such as real estate closing instructions, complex contracts, and official correspondence, assisting Agencies on transactional matters, drafting or reviewing agency regulations, responding to Agency requests for legal advice, and providing technical assistance to Congress. The following documents provide information on the litigation that is ongoing at USDA.

IN THE UNITED STATES SUPREME COURT				
CAPTION	DECISION BELOW	SUBJECT	STATUS	ATTORNEYS
<i>American Independence Mines and Minerals Co.* v. Dep't of Agriculture</i> , S. Ct. No. 12-935	9 <sup>th</sup> Cir. No. 11-35123; D. Idaho No. 1:09-cv-00433-EJL, 06/10/10	R/O Ogden - NEPA/NFMA/APA challenge to the FS's Travel Management Rule. Claims dismissed for lack of prudential standing.	Petition for certiorari filed 1/24/13. Opposition to cert. filed 04/29/13. Reply filed 5/13/13. Set for conference 5/30/13.	Varcoe Hornstein Paur
<i>The Association for Molecular Pathology, et al., Petitioners* v. Myriad Genetics, Inc.</i> , S.Ct. No. 11-725	Fed. Cir. No. 2010-1406 (Jul. 29, 2011)	Whether isolated and purified DNA are patentable subject matter within the meaning of federal patent law (see 35 U.S.C. § 101).	Cert. petition filed 12/7/11. On March 26, 2012, Supreme Court GVR'd case -- i.e. Court granted certiorari, vacated the judgment, and remanded case to Federal Circuit "for further consideration in light of <i>Mayo Collaborative Services v. Prometheus Laboratories, Inc.</i> , 566 U.S. ____ (2012)."  New cert. petition filed in Sep. 2012 and granted, in part, on 12/30/12. Argued 04/15/13. U.S. briefed and argued case as amicus.	Lit. Varcoe/Lagomarcino  <i>Deputy General Counsel S. Silverman</i>  General Law: B. Young, J. Fado, L. Shaw. DOJ Civil: Melissa Patterson
<i>Bowman v. Monsanto</i> , S.Ct. No. 11-796  ECM No. 7396504	Fed. Cir. No. 2010-1068 (9/21/11)	Whether the first sale doctrine extinguished Monsanto's patent rights in second-generation Round-up Ready soy beans seeds sold by farmers to a grain elevator, and subsequently purchased from the grain elevator and planted by Mr. Bowman.	Cert. Petition filed 12/20/11. Response brief filed 2/27/12. Supreme Court requested the views of the Solicitor General, 4/02/12. Solicitor General's invitation brief opposing certiorari filed 8/24/12. Cert. granted. United States amicus filed 1/8/13. Oral argument held 02/19/13. Affirmed 5/13/13.	Lagomarcino John Fado, GLRD Melissa Sherry, ONG Mark Pennack, DOJ

<u>CAPTION</u>	<u>DECISION BELOW</u>	<u>SUBJECT</u>	<u>STATUS</u>	<u>ATTORNEYS</u>
<i>Marvin M. Brandt Revocable Trust* v. United States</i> , S.Ct. No. 12-1173	10 <sup>th</sup> Cir. No. 09-8047	FS - General Railroad Right-of-Way Act of 1875 (whether FS has implied reversionary interests in rights of way under the Act).	Petition for cert. filed 03/22/13. Opposition due 05/28/13.	Varcoe K. Schneider - NRED (formerly Jim Snow) K. Barton - ENRD Appellate
<i>Decker, et al. v. Northwest Environmental Defense Center, et al.</i> , S.Ct. No. 11-338; <i>Georgia-Pacific West, et al. v. Northwest Environmental Defense Center, et al.</i> , S.Ct. No. 11-347  ECM No.	9 <sup>th</sup> Cir. No. 07-35266	NRD - Clean Water Act - whether ditches and culverts next to FS roads are point sources under the CWA.	Petitions for cert. filed 9/13/11; Opposition filed 11/10/11. Petitioners' replies filed 11/22/11. 12/12/11, the Supreme Court invited the Solicitor General to file a brief expressing the views of the United States. United States brief filed 5/24/12, recommending cert. be denied.  Cert. granted 6/29/12. US Oral argument held 12/5/12. Court requested supplemental briefing on mootness, due 1/22/13.  Reversed and remanded 3/20/13.	Lagonarino NRD Sharmian White, Steve, Stephanie Johnson ENRD: Lisa Jones, Judy Harvey
<i>The Estate of E. Wayne Hage and the Estate of Jean N. Hage v. United States</i> , S. Ct. No. 12-918	Fed. Cir. Nos. 2011-5001, 5013	FS - Takings claim	Petition for cert. filed 01/25/13. Gov't's opposition filed 5/13/13.	Lagonarino Ken Paur, Ogden Ann Peterson, ENRD

<u>CAPTION</u>	<u>DECISION BELOW</u>	<u>SUBJECT</u>	<u>STATUS</u>	<u>ATTORNEYS</u>
<i>Horne, Marvin D., et al. * v. USDA.</i> <b>S.Ct. No. 12-123</b>	<b>9<sup>th</sup> Cir. No. 10-15270</b>	Marketing; challenge by raisin handlers to Marketing Order under Agricultural Marketing Agreement Act and APA; alleged taking in violation of Fifth Amendment; challenge to penalties under Excessive Fines Clause.	Affirmed 7/25/11. Petition for rehearing en banc filed 9/08/11. Amended opinion issued and en banc petition denied 3/12/12.  Petition for certiorari filed 7/25/12. USDA opposition brief filed 10/26/12. Certiorari granted 11/20/12. Petitioner's brief due 1/9/13; USDA brief due 2/12/13.  Oral argument held 3/20/12.	Joe Palmore (OSG) Joshua Waldman (DOJ Civ. Appellate) Michael Raab (DOJ Civ. Appellate) Lagomarcino Frank Martin Heather Pichelman
<i>Koonz* v. St. Johns River Water Mgt. Dist.,</i> <b>S. Ct. No. 11-1447</b>	Fla. S. Ct.	FS and NRCS not a party but may be affected. Whether refusal to issue federal permit with applicant refuses to accede to permit conditions constitutes a taking.	Oral argument held 01/15/13. U.S. briefed and argued case as amicus.	Varcoe
<i>USFS* v. Pacific Rivers Council, Inc.,</i> <b>S. Ct. No. 12-623</b>	No. 08-17565 (9 <sup>th</sup> Cir.)	R/O SF - NEPA and APA challenge to 2004 Sierra Nevada Forest Plan Amendments (Framework); alleged failure to adequately analyze direct, indirect, and cumulative impacts of implementing Framework. Issues raised in Supreme Court comprise standing, ripeness, and NEPA merits.	Opening brief due 06/12/13 Respondent's brief due 08/23/13.	Varcoe Rosen DeWitte
<i>Wise, Eddie and Dorothy* v. Vilback,</i> <b>S. Ct. No. 12-1193</b>	No. 11-1271 (4 <sup>th</sup> Cir.)	FSA - ECOA - District court dismissed petitioners' complaint under Fed. R. Civ. P. 12(b)(6) for failure to state a disparate treatment claim under ECOA.	Petition for certiorari filed 3/29/13. US opposition due 6/3/13.	Spicknall Alarcon

<u>CAPTION</u>	<u>DECISION BELOW</u>	<u>SUBJECT</u>	<u>STATUS</u>	<u>ATTORNEYS</u>
<i>M/J Martins Enterprises* v. United States</i> , 1 <sup>st</sup> Cir. No. 12-2187	1:10-cv-11808-NMG (D. Mass. Aug. 2, 2012)	SNAP case.	Notice of appeal filed 10/1/12.	Spicknall Adria Greene, Harrisburg
<i>Congregation Machna Shalva Zichron Avt David* v. USDA</i> , 2 <sup>nd</sup> Cir. No. 13-	S.D.N.Y. No. 1:11-cv-02746-PAC (Mar. 1, 2013)	SNAP - Challenge to USDA's denial of application to participate in SNAP program.	Notice of appeal filed 4/01/13.	Varcoe
<i>El Tepeyac Grocery Inc.* v. USA</i> , 2 <sup>nd</sup> Cir. No. 12-1873 ECM No. 7411624	S.D. NY, No. 11-civ-5837, 4/10/12	FNS - Challenge to six-month disqualification period for accepting SNAP benefits for ineligible items.	Notice of appeal filed 5/07/12. Opening brief filed 8/17/12. Affirmed 3/25/13.	Spicknall
<i>Jessup v. Teledyne* and USFS</i> 3 <sup>rd</sup> Cir. No. 13-	E.D. Penn. 12-cv-4439, 3/13/13.	FS - FTCA, derivative jurisdiction.	Notice of appeal filed Mediation scheduled 6/14/13.	Lagomarcino Maureen O'Brien Dana Kaersvang, DOJ Appellate
<i>Minard Run Oil Co. v. USFS</i> , 3d Cir. No. 12-4160	W.D. Pa. No. 1-09-cv-00125, 9/6/12	FS - challenge to settlement agreement and related moratorium on oil and gas drilling in Allegheny National Forest. Industry prevailed in Third Circuit in government's and environmental groups' appeal from preliminary injunction, see 670 F.3d 236 (2011); this appeal was taken by environmental groups (not by the government) from the resulting final judgment.	Notice of appeal filed 11/2/12. Industry appellees' brief (responding to environmental intervenus-defendant-appellants' brief) filed 4/22/13. Federal government is not a party to the appeal.	Varcoe Groesbeck - NRED Mulach, Schmitt, Vandik - OGC Milwaukee Rob Stockman - ENRD Appellate
<i>Hutchins, Bennie* v. Thomas Vilsack</i> , 5 <sup>th</sup> Cir. No. 12-60288	S.D. Miss., No. 3:10-cv-120, 3/22/12	Civil Rights - Appeal of special verdict finding regarding racial and age discrimination.	Notice of appeal filed 4/1/12. Opening brief filed 9/06/12, on extension Affirmed 3/06/13.	Lagomarcino
<i>Meza Sierra Enterprises, Inc. v. USDA</i> , 8 <sup>th</sup> Cir. No. 12-60816	PACA No. D-10-0250	PACA - Whether ALJ had jurisdiction over PACA disciplinary action.	Case is fully briefed.	Lagomarcino Shelton Smallwood

CAPTION	DECISION BELOW	SUBJECT	STATUS	ATTORNEYS
<i>Corey Lea, Inc., Corey Lea* v. USDA</i> , 6th Cir. Nos. 11-5969, 11-3945	W.D. Kentucky, No. 1:10-cv-00029-JHM-ERG, 6/06/11; No. 1:11-cv-00094-JHM, 8/26/11.	R/O - Atlanta - FSA. Discrimination claim arising out of denial of loan; alleging violation of ECOA, FCEA, and 42 U.S.C. 1985(3). Pro se case.	No. 11-3945 docketed 9/1/11 after district court transferred case to Sixth Circuit. On 9/28/11, court issued order to show cause re: potential jurisdictional defect. Petitioner responded on 10/5/11; Gov't response filed 10/19/11. Court dismissed petition for review on 2/27/12. Petner petitioned for on banc reh'g on 3/5/12. Reh'g denied on 4/10/12. Mandate issued 4/18/12.  Notice of appeal filed 8/05/11 in No. 11-5969. No action from court since appellant moved to proceed in forma pauperis on 10/26/11. On 6/19/12, defendant Farmers National Bank moved to expedite decision. On 8/29/12, appellant filed motion to expedite ruling on IFP application. Fully briefed as of 12/26/12.	Varcoe Mark Simpson, Atlanta Stephanie Masker, CR Sushma Soni and Marleigh Dover, USDOJ Civil Appellate
<i>In re Corey Lea,*</i> 6th Cir. No. 13-5238	W.D. Kentucky, No. 1:12-cv-00052	Civil Rights	Petition for writ of Mandamus filed 2/26/13; Motion to proceed in forma pauperis filed 3/18/13.	Varcoe
<i>Horton, Lonzie Carroll Jr., * v. USDA</i> , 6th Cir. No. 13-3660	AWA Docket No. 12-0052, 5/30/13	AWA - Challenge to monetary sanction imposed for unlicensed dog dealing.	Petition for Review filed 5/30/13.	Colleen Carroll
<i>Sheldon, Laura M.* v. Vilsack</i> , 6th Cir. No. 12-1520	E.D. Mich., No. 1:11-cv-10487, 3/29/12	Chicago - RHS - Foreclosure - APA and Housing Act claims. Plaintiffs allege violations of the Housing Act of 1949 and due process clause.	Notice of appeal filed 4/27/12. Opening brief filed 7/27/12, response filed 10/30/12. Oral argument set for 5/01/13.	Spicknall Mary Pearce, Chicago

<u>CAPTION</u>	<u>DECISION BELOW</u>	<u>SUBJECT</u>	<u>STATUS</u>	<u>ATTORNEYS</u>
<i>Tone, Christopher, et al. v. USDA</i> , 6 <sup>th</sup> Cir. No. 12-3905	S.D. Ohio, 1:10-cv-00891, 06/21/12	Chicago - RHS - Foreclosure, APA and Housing Act claims.	Notice of appeal filed 7/19/12. Appellants' brief due 09/05/12; response brief due 10/09/12. Oral argument set 5/01/13.	Stephen Reed - Columbus Spicknall
<i>Hoyt, Robert* v. Benham, et al.</i> , 7 <sup>th</sup> Cir. No. 12-1581	S.D. Ind., 4:08-cv-00179-RLY-WGH, 1/11/12	Claim of prescriptive easement over federal land dismissed as time barred.	Notice of Appeal filed 3/12/12. Briefing suspended 3/30/12.	Spicknall
<i>Vaughn, Gary* v. Vilsack</i> , 7 <sup>th</sup> Cir. No. 11-3673	S.D. Ill., No. 3:09-cv-00455-WDS-DGW (10/4/11)	R/O- Atlanta - Civil rights. Title VII retaliation claim.	Notice of appeal filed 11/29/11. On extension, appellant's opening brief filed 6/4/12. Gov't's response filed 7/2/12; reply filed 7/20/12. Argument set for 10/3/12 in Chicago. Affirmed 3/08/13.	Varcoe Mark Simpson - Atlanta USAO: Chris Moore (S.D. Ill.)
<i>Argus Leader Media* v. USDA</i> , 8 <sup>th</sup> Cir. No. 12-3765	D.S.D. No. 4:11-4121-KES (9/27/12)	FOIA/SNAP - Argus Leader seeks from FNS annual SNAP benefit redemption amounts for participating retail stores.	Notice of appeal filed 11/20/12. Opening brief filed 1/16/13. Response brief filed 3/11/13. Reply brief filed 4/9/13. Not yet scheduled for oral argument.	Lagomarcino Gaston
<i>Bartlen v. USDA</i> , 8 <sup>th</sup> Cir. No. 12-3087	No. 11-cv-72 (N.D. Iowa July 5, 2012)	Denied crop insurance claims; the district court dismissed plaintiff's claims for failure to exhaust their administrative remedies	Opening brief filed 10/16/12; Response brief filed 12/6/12; Reply brief filed 12/20/12. Argued and submitted 4/9/13.	Spicknall John Vos, KC

<u>CAPTION</u>	<u>DECISION BELOW</u>	<u>SUBJECT</u>	<u>STATUS</u>	<u>ATTORNEYS</u>
<i>Alliance for the Wild Rockies* v. USDA</i> , 9 <sup>th</sup> Cir. No. 13-35253	9:11-CV-00076-CCL (D.Mont. Mar. 26, 2013)	FS - ESA, Bison hazing	Notice of appeal filed 3/23/13. Plaintiffs filed a motion for an injunction pending appeal; the Forest Service's response is due on April 23, 2013. Motion denied 5/20/13.  Opening brief due 7/8/13; response due 8/8/13.	Spicknall Alan Campbell, OGC Darlene Bolinger, OGC
<i>Animal Legal Defense Fund* v. USDA</i> , 9 <sup>th</sup> Cir. No. 13-55868	C.D. Cal. 2:12-cv-04028-ODW-PJW, 3/22/13.	FSIS - Denial of petition to promulgate regulation condemning force-fed foie gras as an adulterated food product under the Poultry Products Inspection Act. District court held that denial was not reviewable agency action under 5 U.S.C. § 702.	Notice of appeal filed 5/17/13.	Varcoe Carlyne Cockrum
<i>Audubon Society of Portland* v. NRCS</i> , 9 <sup>th</sup> Cir. No. 12-35988	D. Oregon, 3:10-cv-1205-HZ (Oct. 8, 2012)	FOIA attorney fee award	Opening brief filed 5/10/13; response brief due 6/10/13.	Varcoe Chris Elmore
<i>Center for Biological Diversity* v. BLM</i> [ <i>Ruby Pipeline, LLC, Respondent-Intervenor</i> ], 9 <sup>th</sup> Cir. No. 10-72356  <i>Coalition of Local Governments* v. BLM</i> , 9 <sup>th</sup> Cir. No. 10-72552	Challenge to FERC decision	R/O Portland, NRD, FS, Petitioner challenges BLM's approval of right-of-way for construction of Ruby Pipeline Project, a buried natural gas pipeline extending from Wyoming to Oregon.  FS is not a party, but the pipeline crosses FS land, and the FS concurred in the ROW. FS has been requested to prepare an index for a potential administrative record.	CBD's petition for review filed 7/30/10. CBD's emergency motion for injunction pending appeal filed 8/18/10 and denied 8/31/10. Local governments' petition for review filed 8/18/10.  Opening brief filed 12/08/10. Tribe's brief filed 12/20/10. Response filed 3/8/11. Reply filed 5/18/11.  Argued 10/11/11.	R/O (Portland): Rebecca Harrison NRD: Pamela Henderson ENRD: Jennifer Neumann

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<i>Center for Food Safety, et al.* v. Yilauck</i> , 9th Cir. No. 12-15052 ("Alfalfa II")	N.D. Cal. No. 11-1310-SC, 1/05/12	Reg., APHIS. ESA, PPA, NEPA, and APA challenge to deregulation of Round-up Ready Alfalfa.	Notice of appeal filed 1/06/12. By order of 1/30/12 (largely denying pls' motion to expedite briefing), court ordered that case is to be calendared for argument ASAP.  Appellants' opening brief submitted 4/16/12. Response briefs due 5/16/12; USDA and intervenors' briefs filed 6/6/12. Reply brief filed 7/6/12. By order of 5/20/12, court announced that previous panel was retaining jurisdiction of appeal. By order of 7/20/12, court announced that Judge Thomas would be replacing Judge Fairbank (C.D. Cal.) Argued and submitted 10/24/12.	Varcoe Reg. Booth, Cockrum, Golabek, Herndon Dana Kaersvang (Civil Appellate) Bob Lundman (ENRD Appellate)
<i>Conservation Congress, et al.* v. USFS</i> , 9th Cir. No. 12-16452	E.D. Cal. No. 2:11-cv-02605-LKK-EFB, 6/19/12	R/O San Francisco, FS, Section 7 ESA challenge to the Mudflow Vegetation Management Project on the Shasta-Trinity National Forest (Northern Spotted Owl habitat).	Notice of appeal filed 6/25/12. Emergency motion for injunction pending appeal filed 7/01/12, denied 7/06/12 for failure to seek expedited hearing on motion pending before the district court. Appellants' opening brief filed 8/01/12. Renewed emergency motion for injunction pending appeal filed 8/06/12. Gov't's response in opposition filed 8/13/12. Argued and submitted 1/08/13.	Lagomarcino SF - Sarah Birkeland

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<i>Conservation Northwest, et al. v. Mark Rey and D.R. Johnson Lumber Company*</i> , 9th Cir. No. 11-35729	W.D. Wash., No. C08-1067-JCC, 7/06/11	R/O Portland, FS - Survey and Manage	Notice of appeal filed 8/31/11. Opening brief filed 1/13/12; Answering brief filed 03/16/12. Reply filed 4/17/12. Argued and submitted 10/09/12. Reversed and remanded 4/25/13.	Lagomarcino Jocelyn Somers, Portland John Smeltzer, ENRD
<i>Cox v. USDA*</i> , 9th Cir. No. 13-15225	3:11-cv-00454-RCJ-WGC, 12/10/12; post-judgment rehearing motion denied 3/07/13.	RHS - Does Nevada State Foreclosure Mediation Program divest federal court of jurisdiction over RHS borrowers' claims? Did district court err in ruling alternatively that discretionary abstention was warranted?	Notice of Appeal filed 2/6/13. USDA opening brief due 5/17/13; Response brief due 6/17/13.	Lagomarcino/McGruder Eichhorst/Giatrakis
<i>Decker, et al. v. Northwest Environmental Defense Center, et al.</i> , No. 07-35266 (9th Cir.)  S.Ct. No. 11-338; <i>Georgia-Pacific West, et al. v. Northwest Environmental Defense Center, et al.</i> , S.Ct. No. 11-347  ECM No.	9th Cir. No. 07-35266	NRD - Clean Water Act - whether ditches and culverts next to FS roads are point sources under the CWA.	Cent. granted 6/25/12. Reversed and remanded 3/20/13.  4/23/13 - NEDC motion filed requesting court to leave part of decision intact on remand. Industry Defendant's opposition filed 5/6/13. State's opposition filed 5/6/13, adopting arguments in industry brief.	Lagomarcino NRD Stephanie Johnson ENRD: Judy Harvey
<i>Eno* v. Salazar</i> , 9th Cir. No. 13-15166	E.D. Cal., 2:10-cv-01691 (Dec. 19, 2012)	Whether administrative EAJA fees are available to a party that prevails against the government in a Mining Claims Rights Restoration Act hearing	Notice of appeal filed 1/24/13. Opening brief filed 5/29/13; response brief due 6/28/13 (DOJ will seek extension).	Varcoe Pamela Henderson Josh Rider
<i>Garmo, Freddy, et al. (dba M&amp;S Liquor)* v. USA</i> , 9th Cir. No. 12-55493	S.D. Cal., 3:10-cv-02185-JM-BLM, 01/19/12	R/O SF - Challenge to Transfer of Ownership Civil Money Penalty (TOCMP) as a result of SNAP violation.	Notice of appeal filed 3/15/12. Case selected for mediation, 5/15/12. Opening brief due 9/21/12; response brief due 10/22/12. Mediation on-going.	Lagomarcino, GLRD Marissa Suarez, SF Chu Hwang, IAFAFRP

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<i>Hells Canyon Preservation Council v. Connaughton, and Bragg Investment Corporation (Defendant Intervenor)*</i> 9 <sup>th</sup> Cir. No. 13-	D. Or. 11-23-PK, 3/6/13	FS - R/O Portland - Challenge to use of grazing CE to authorize grazing on 24 allotments on the Wallowa-Whitman and Umatilla National Forests.	Notice of appeal filed 5/6/13.	Spicknall Rebecca Harrison
<i>Idaho Recreation Council* v. USDA,</i> 9 <sup>th</sup> Cir. No. 12-35763	D. Idaho No. 1:11-cv-00233 (May 19, 2011)	Travel Management	Notice of appeal filed 9/20/13. Mediation discussions are on-going	Varcoe
<i>Gerald Jayne, et al.* v. Harris Sherman, et al.,</i> 9 <sup>th</sup> Cir. Nos. 11-35269, 11-35292 (cross-appeal)	D. Idaho No. 4:09-cv-00015-BLW, 1/29/11	NRD - NEPA, ESA challenge to Idaho Roadless Rule.	Notice of Appeal filed 3/29/11. Notice of cross appeal on scope of intervention filed by Kootenai Tribe 4/04/11. Plaintiffs' first brief on cross-appeal filed 1/23/12; Gov't's second brief on cross-appeal filed 5/07/12; third brief on cross-appeal due 6/27/12 (this will be Plaintiffs' reply brief on its appeal and answering brief on the intervenors' cross-appeal re: scope of intervention (Gov't is not listed as appellees on the intervenors' cross-appeal)). Final reply brief due 30 days later. Affirmed 1/07/13.	David Gunter, DOJ DeWitte, NRD Lagomarcino
<i>Klamath-Siskiyou Wildlands Center, et al.* v. Moeuwhorter, and Waldo Mining District, Defendants-Intervenor,</i> 9 <sup>th</sup> Cir. No. 13-	D. Or. No. 1:12-cv-01900-PA, 4/23/13.	FS - ESA challenge to mining on the Ropua-Siskiyou National Forest. The case was dismissed on the gov't motion - the required Notice of Intent to Sue under ESA was inadequate.	Notice of Appeal filed 5/22/13.	Val Black

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<i>Kowack* v. Tidwell</i> , 9 <sup>th</sup> Cir. No. 12-35864	D. Mont. No. 11-cv-00095, 8/24/12	FS - FOIA - Adequacy of Vaughn Index, application of Exceptions 5 (deliberative process) and 6 (privacy) to redacted information provided in response to request for investigation report re work-place harassment at FS Job Corp Center.	Notice of Appeal filed 10/22/12. Opening brief filed 4/30/13. Response brief due 7/1/13.	Lagonarino Karen Carrington (GLRD)
<i>League of Wilderness Defenders* v. USFS**</i> 9 <sup>th</sup> Cir. Nos. 13-35054, 13-35066	D. Oregon, No. 3:10-cv-01397-SI (12/10/12)	FS - Challenge to decision to control and remove invasive plants in Wallows-Whitman National Forest.	Notice of appeal filed 1/25/13. First cross appeal brief due 05/06/2013 for League of Wilderness Defenders/Blue Mountains Biodiversity Project. Second brief on cross appeal due 06/05/2013 for Kent Connaughton and United States Forest Service. Third brief on cross appeal due 07/05/2013 for League of Wilderness Defenders/Blue Mountains Biodiversity Project. Optional cross appeal reply brief is due 14 days from service of third cross appeal brief.	Varcoe
<i>McMaster* v. United States</i> , 9 <sup>th</sup> Cir. No. 11-17489	E.D. Cal. No. 2:10-cv-00881-GEB-EFB (9/02/11)	QTA - Challenge to BLM's issuance of a patent to a mineral estate, as well as claim of ownership to structures on FS lands that were formerly within the claim boundaries.	Notice of Appeal filed 10/06/11. Opening brief filed 1/18/12. Govt's response filed 4/12/12. Reply brief filed 5/14/12. Oral argument scheduled 6/14/13.	Varcoe Pamela Henderson, OGC NRED Kendra Nitta, Interior Kathy Barton, DOJ

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<i>Native Ecosystems Council, et al.* v. Weldon, et al.</i> ["Etien Ridge"], 9 <sup>th</sup> Cir. No. 11-35659	D. Mont. No. 10-57-M-DWM, 0/07/11	R/O Missoula - FS - NFMA and NEPA challenge to FONSI and DN for the Etien Ridge Fuels Reduction Project in the Lewis & Clark NF.	Notice of appeal filed 8/05/11. Opening brief filed 11/14/11; response brief filed 1/23/12. Reply brief submitted 2/21/12. Argued 7/9/12 in Seattle. Affirmed 9/12/12. Petition for rehearing en banc denied 11/5/12.	Varcoe Chris Everett, Missoula Alan Groesbeck, NRD  AUSA Mark Steger Smith (D. Mont.) - handling briefing and argument  A. Mergen - ENRD contact
<i>Navickas v. Conroy</i> , 9 <sup>th</sup> Cir. No. 13-35132	10-3004 CL (D. Or. Feb, 25, 2013)	District court granted summary judgment to FS on plaintiffs' soil erosion claim under NFMA and NEPA	Notice of appeal filed 2/25/13. Opening brief due 6/5/13; Response brief due 7/5/13.	Spicknall
<i>Oberdorfer v. Jewkes</i> , 9 <sup>th</sup> Cir. No. 12-36082	D. Oregon, No. 6:11-cv-06209-SI (July 6, 2012)	FS - NEPA/NFMA/16 U.S.C. § 497. Telecom company's and company owner's challenge(s) to decisions relating to its communication facilities and competitor's facilities or plans to construct such facilities	Notice of appeal filed 12/26/12. Docketing fee paid 4/16/13.	Varcoe
<i>Oregon Wild* v. Connoughton, [Mt. Ashland]</i> 9 <sup>th</sup> Cir. No. 12-35845	D. Oregon, No. 1:05-cv-03004-PA (Aug. 17, 2012)	FS - NEPA/NFMA - Expansion of ski area.	Notice of appeal filed 10/15/12. Opening brief filed 3/8/13; Response brief filed 4/24/13.	Varcoe
<i>Organized Village of Kake v. USDA</i> , 9 <sup>th</sup> Cir. No. 11-35517 (appeal by intervenor Alaska, USDA not a party)	D. Alaska No. 1:09-cv-0023 (3/4/11) (judgment entered 5/24/11)	Tongass Exemption to Roadless Rule. District court concluding that USDA's adoption of Tongass Exemption was arbitrary and capricious in violation of APA.	Notice of appeal filed 6/17/11. Alaska's opening brief filed 10/25/11. Response brief filed 11/25/11. Reply filed 12/21/11. Argued and submitted 8/30/12.	NRD - Dewitte Juneau - Ustasiewski, Dickman ENRD Appellate - Katherine Hazard

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<i>The Priors Coalition, et al. * v. Leslie Weldon, et al.</i> <b>9th Cir. No. 11-35733</b>	D. Mont. No. 1:10-cv-00016-RFC, 07/20/11	FS - NRD - NEPA/NFMA challenge to Travel Management Rule re motorized access on the Beartooth Ranger District.	Notice of appeal filed 9/01/11. Briefing schedule vacated pending mediation, case released from mediation 4/23/12. Opening brief filed 9/7/12; response filed 12/20/12; reply filed 2/23/13.	Lagonarino Ellen Hornstein, NRD Chris Everett, Missoula Mark Smith, DOI  Allen Brabender, ENRD Appellate
<i>Sequoia ForestKeeper v. Tidwell*</i> <b>9th Cir. No. 12-16206</b>	E.D. Cal. No. 1:11-cv-00679-LJO (March 19, 2012)	FS - Appeals Reform Act/ Categorical Exclusions. Nationwide injunction.	Notice of FS appeal filed 5/17/12. Opening brief filed 10/17/12. Answering brief filed 11/28/13. Reply brief filed 01/11/13.	Varcoe
<i>Sierra Forest Legacy* v. Ann Mills,</i> <b>9th Cir. No. 13-</b>	E.D. Cal. No. 2:05-cv-00205, 04/15/13.	Challenge to Sierra Nevada Framework remedy.	Notice of appeal filed 5/29/13.	Jamie Rosen
<i>Swanson, George B.* v. USA,</i> <b>9th Cir. No. 12-55987</b>  ECM No. 7404983	S.D. Cal. No. 10-CV-2363, 05/08/12	R/O San Francisco - FS - FTCA and 36 CFR 288 - right to use of cabin incident to mining claim. Motion to dismiss granted.	Notice of appeal filed 05/25/12. Opening brief filed 11/08/12; response brief filed 1/18/13.	Lagonarino Josh Rider, SF Broke Geller, GLRD
<i>Thiel, Annette* v. Veneman,</i> <b>9th Cir. No. 12-35231</b>	D. Mont., No. Cv-09-168, 3/14/12	R/O Missoula - FSA - Equal Credit Opportunity Act (ECOA), statute of limitations, continuing violation doctrine.	Notice of appeal filed 3/27/12; Court ordered appellant to show cause why appeal shouldn't be dismissed for lack of jurisdiction, 4/19/12. Appellant's Response filed 5/4/12; Govt's reply filed 5/09/12. Appellant's motion to stay proceedings filed 6/08/12. Govt's response filed 6/18/12. Case rejected from mediation program on 10/10/12.	Lagonarino

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<i>United States v. Klaus, Al Shlomo*</i> , 9th Cir. No. 11-56444	C.D. Cal. No. 2:09-cv-00579	FS - Recovery of fire suppression costs arising from the Crown Fire.	Notice of appeal filed 8/24/11. Opening brief submitted 4/16/12; answering brief submitted 8/15/12; optional reply due 9/30/12. Scheduled for oral argument on 5/10/13. Affirmed 5/20/13.	Varcoe, Lit. Rachel Birkey, S.F. AUSA Terrence Jones (C.D. Cal.) B. Toth, ENRD
<i>Western Watersheds Project* v. USFS</i> , 9th Cir. No. 13-15421	D. Ariz. No. 3:11-cv-08128-NVW (1/9/13).	FS - Grazing permits.	Notice of appeal filed 3/5/13. Mediation scheduled for 5/2/13.	Varcoe [Spicknall] Joca - OGC N.M. Guillou - OGC NRED
<i>WildEarth Guardians* v. USDA</i> , 9th Cir. No. 13-	D. Nev. 2:12-cv-00716-MMD-PAL	APHIS, Wildlife Services - NEPA challenge to predator damage management program.	Notice of appeal filed May 24, 2013.	Lagomarcino Lauren Axley Lisa Jabaily
<i>Wilderness Society; Great Old Broads for Wilderness* v. USFS</i> , 9th Cir. No. 11-16183	D. Nev., No. 3:07-cv-00170-RLH-(RAM) 3/18/11.	R/O - Ogden - NEPA and ESA challenge to FS decision to rebuild the Jarbridge South Canyon Road after a wash-out.	Notice of appeal filed 05/10/11. Appellant's brief filed 10/26/11. Government appellees' response filed 12/7/11. Reply brief filed 01/10/12.  Affirmed in part and reversed in part 3/04/13.	Ken Paur, Ogden Andrew Smith - ENRD trial attorney (N.M.) Ann Peterson, ENRD
<i>Wildlands CPR, et al. v. USFS,**</i> 9th Cir. No. 12-35434	D. Mont., No. 9:10-cv-00104-DWM, 4/12/12.	NEPA and Executive Order challenge to the FS allocation of areas and trails for snowmobile use in a revised forest plan for the Beaverhead-Deerlodge National Forest in Montana.	Notice of appeal filed 05/30/12. Appellant's Opening Brief filed 9/21/12; Appellee's Brief filed 12/6/12; Appellant's Reply Filed 1/22/13.	Spicknall ENRD - Beverly F. Li AUSA MT - Mark Smith OGC MT - Christine Everett
<i>Backcountry Hunters and Anglers* v. USFS</i> , 10th Cir. No. 13-	D. Colo. No. 11-cv-03139-MSK-KLM, 3/21/13	FS - NEPA/EO Travel Management - Decision to open trails within the San Juan National Forest to OHV motorcycle use.	Notice of appeal filed 5/14/13.	Lagomarcino Witte - Denver

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<i>Biodiversity Conservation Alliance* v. USFS</i> , 10 <sup>th</sup> Cir. No. 12-8071	D. Wyoming 2:11-cv-226-SWS, 7/27/12	FS - NEPA - Travel Management - Decision to open Albany Trail in Inventoried Roadless Area of Medicine Bow NF to motorized vehicles challenged under NEPA.	Notice of appeal filed 9/21/12. Opening brief due 6/19/13.	Spicknall Randy Bramer ENRD - Mark Haug
<i>Conroy, Laura* v. Vilsack</i> , 10 <sup>th</sup> Cir. No. 11-4091	D. Utah No. 2:06-cv-867, 03/09/11.	R/O - Utah - FS: EEO age and gender discrimination.	Notice of appeal filed 5/05/11. Appellant's brief filed 10/11/11. Response filed 11/21/11. Reply filed 12/15/11. Argued and submitted 03/19/12.  Affirmed 2/11/13.	Heather Hinton (Ogden) DOJ: Marleigh Dover and Benjamin Schultz
<i>Jagers, et al.* v. FCIC</i> , 10 <sup>th</sup> Cir. No. 12-1342	D. Colo. No. 1:10-cv-00956-RPM (7/6/12)	Federal Crop Insurance Act (FCIA) claim denied for failure to follow good farming practices.	Notice of appeal filed 8/31/12. Opening brief filed 3/4/13. Response brief due 5/8/13.	Spicknall
<i>United States v. Copar Pumice Co.*</i> , 10 <sup>th</sup> Cir. No. 12-2104	D. N.M. No. 1:09-cv-01201-JAP	Interlocutory appeal of discovery order requiring disclosure of privileged documents.	Notice of appeal filed 6/22/12. Opening brief filed 9/21/12. Answering brief filed 11/23/12; reply brief filed 1/10/13. Scheduled for oral argument 5/07/13. Affirmed without argument, 5/06/13.	Varcoe S. Hattensbach - OGC N.M. Ann Peterson - ENRD Appellate
<i>Alma Brightleaf, Inc.* v. FCIC</i> , 11 <sup>th</sup> Cir. No. 13-11692	S.D. Georgia, No. 5:11-cv-00091-LGW-JEG, 3/20/13	RMA - Denial of crop insurance claim for failure to give timely notice of tornado damage.	Notice of appeal filed 4/18/13. Opening brief due 5/28/13.	Spicknall Mark Simpson, Atlanta
<i>Campbell's Foliage, Inc.* v. FCIC</i> , 11 <sup>th</sup> Cir. No. 13-11896	S.D. Fla., No. 1:11-cv-21666-KMM,	FCIC - Denial of appellant's motion to vacate Federal Arbitration Act (FAA) decision denying Multi-peril Crop Insurance claim for nursery crop losses because of failure to pay premiums.	Notice of appeal filed 4/26/13	Spicknall Mark Simpson, Atlanta

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<i>Slaughter, Eddie* v. USDA</i> , 11 <sup>th</sup> Cir. No. 13-11531	M.D. GA No. 4:12-cv-00094-CDL (4/19/12)	Civil Rights - Pigford class member seeks relief from USDA collection actions.	Notice of Appeal filed 4/8/13.	Lagomarcino Alarcon
<i>Ark Initiative* v. Tibwell</i> , D.C. Cir. No. 13-5103	D.D.C. No. 1:12-cv-01467-JEB (2/14/13)	FS - Colorado Roadless Rule challenge to FS decision not to designate as roadless areas within the Snowmass Ski Area in White River National Forest, Colorado.	Notice of appeal filed 4/8/13.	Lagomarcino DeWitte Lois Witte Nick DiMascio, DOJ
<i>Jurewicz* v. USDA</i> , D.C. Cir. No. 12-5331	D.D.C. No. 11-707 (JEB) (9/20/12)	APHIS - Reverse FOIA - Dog breeders and dealers seek to prevent USDA's release of information from license application form sought by the Humane Society.	Notice of appeal filed 10/16/12. Opening brief due 6/20/13; Response brief due 7/22/13.	Lagomarcino Geller
<i>Koretzoff, Nick* v. Vilsack</i> , D.C. Cir. No. 12-5075	D.D.C. No. 08-1558-ESH, 1/18/12.	Agricultural commodity marketing. Challenge to rule requiring that almonds produced domestically be pasteurized or chemically treated against salmonella. Plaintiff claims that rule exceeds USDA's statutory authority pursuant to Agricultural Marketing Agreement Act of 1937 and is inconsistent with California almond marketing order. See also <i>Koretzoff v. Vilsack</i> , 514 F.3d 532 (D.C. Cir. 2016) (holding that plaintiffs' claims were justiciable).	Notice of appeal filed 3/16/12. Initial submissions filed 4/23/12; opening brief due 7/6/12; government brief due 9/5/12, on extension, reply br. due 9/19/12.  Affirmed 2/22/13.	Varcoe Pichelman - Marketing  Civil Appellate - Michael Abate (no longer at DOJ), Michael Raub  DOJ trial attorney - Jennie Kneeder

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<i>Sierra Club v. USDA**</i> D.C. Cir. Nos. 12-5095* (appeal by intervenor Sunflower Electric Power Corporation*) and 12-5097**	D.D.C. 1:07-cv-01860-EGS (1/31/12)	Rural Dev. - NEPA challenge to Rural Utilities Service actions in connection with existing RUS loans to a rural electric generation and transmission cooperative that sought to expand coal-fired power plant facility. District court concluded that RUS violated NEPA and issued remedy order remanding matter to RUS.	Notices of appeal filed 3/30/12. Appeals consolidated 4/11/12. Initial submissions filed 5/11/12.  USDA's appeal (No. 12-5097) dismissed on motion of USDA, and mandate issued, on 5/30/12.  On 5/29/12, USDA moved to dismiss Sunflower's appeal. On 5/30/12, Sierra Club concurred in USDA's motion. On 8/15/12, motions panel referred motion to merits panel.  Sunflower's brief due 10/29/12, appellees' brief due 11/28/12, reply brief due 12/12/12.  Argued and submitted 4/16/13.  Dismissed for lack of jurisdiction 5/28/13.	Andy Varcoe  Rural Dev. - Helen Harris, Terry Brady  DOJ - Julie Thrower, Alison Garner (ENRD NRS)  Brian Toth (ENRD Appellate)
<i>Solomon, Linda* v. Yilsack</i> , D.C. Cir. No. 12-5123  Related to: D.C. Cir. No. 09-5319	D.D.C. No. 07-1590 (JDB) (2/23/12)  D.D.C. No. 07-1590 (JDB) (8/31/09)	RD - Civil Rights; Reasonable accommodation under Rehabilitation Act; Employment discrimination and retaliation claims. [The DC Cir. previously held that plaintiff's application for and receipt of FERS disability benefits did not preclude her Rehab Act and Title VII claims based on failure to accommodate.]	Notice of appeal filed 4/20/12. Opening brief due 5/28/13.	Lagomarcino Civ. Rights: Britt Stuart

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<i>State of Alaska and Alaska Forest Association* v. USDA and SEACC</i> , <b>D.C. Cir. No. 13-</b>	D.D.C. No. 11-1122, 3/25/13.	FS - Roadless Rule. State of Alaska brought facial challenge to the 2001 Roadless Rule. The District Court dismissed the complaint as time-barred, citing six-year statute of limitations (28 U.S.C. § 2401(a)), which the court found to be jurisdictional.	Notice of appeal filed 3/16/13.	Lagomarcino Vince DeWitte Jim Ustasewski
<i>Brands* v. United States, Fed. Cir. No. 2012-5050</i>	Court of Federal Claims No. 09-CV-265-J (11/30/11)	FS. Taking suit concerning a former rail right-of-way on the Medicine Bow National Forest abandoned by Wyoming & Colorado Railroad. Rails-to-trails. District court dismissed case for lack of jurisdiction pursuant to 28 U.S.C. § 1500. Related case: <i>United States of America v. Wyoming and Colorado Railroad Co., Inc., et al.*</i> , 10 <sup>th</sup> Cir. No. 09-8047.	Notice of appeal filed 1/17/12. Appellant's brief filed 3/19/12. Gov't brief filed 5/3/12. Reply brief filed 5/21/12. Argued 8/10/12.  Reversed 3/26/13. Rehearing petition due 6/10/13, on extension.	Varcoe NRED: Kate Schneider (formerly Jim Snow) ENRD Appellate: Brian Toth
<i>Chapman* v. U.S., Fed. Cir. No. 13-5028</i>	Fed. Cl. No. 12-0183 (3/20/12)	Takings - Firefighting allegedly caused damage to private property.	Notice of appeal filed 11/26/12. Opening brief filed 3/1/13. Response brief filed 4/18/13.	Varcoe C. Neilson - NRED M. Lodine - Missoula Turnara Rountree - ENRD Appellate
<i>Croman Corp. v. USA, Fed. Cir. No. 12-5138</i>	1:12-cv-00075-GVM (Fed. Cl. Aug. 29, 2012)	Forest Service helicopter bid protest	Opening (Corrected) Brief filed 2/8/13. Response brief filed 1/16/13; Reply filed 2/4/13; argued and submitted 4/5/13.	Spicknall Elin Dugan
<i>Phillip Morris, Inc.* v. Vilsack, Fed. Cir. No. 12-2498</i>	E.D. VA No. 3:11-cv-00087 (10/9/12)	Fair and Equitable Tobacco Reform Act (FETRA) - Challenge to USDA's methodology for calculating FETRA assessments.	Notice of appeal filed 12/5/12. Opening brief filed 3/4/13. Answering brief filed 4/8/13. Reply brief filed 5/13/13.	Lagomarcino Maureen James

<u>CAPTION</u>	<u>DECISION BELOW</u>	<u>SUBJECT</u>	<u>STATUS</u>	<u>ATTORNEYS</u>
<i>Scott Timber Company v. United States</i> , * <b>Fed. Cir. No. 2011-5092</b>	Fed. Cl. No. 05-708C, 02/27/09 (liability), 04/05/11 (damages)	FS - Breach of timber sale contract based upon implied duties of good faith and fair dealing; damages award based upon pass-through claim of sister corporation and lost profits.	Notice of appeal filed 5/26/11. Government's opening brief filed 10/03/11. Scott's response filed 12/16/11. Gov't's reply filed 02/10/12. Argued 5/11/12. Reversed 9/05/12. Rehearing en banc denied 2/22/13.	Lagonarcino Lori Jones, NRD Ben Hartman, Portland Ellen Lynch, Commercial Lit., DOJ
<i>TrinCo Investment Company* v. U.S.</i> , <b>Fed. Cir. No. 12-5139</b>	Fed. Cl. No. 11-cv-5857 (12/7/11)	Takings - Firefighting allegedly causing damage to private property.	Notice of appeal filed 9/10/12. Opening brief filed 11/13/12. Response brief filed 2/7/13, Reply brief filed 2/25/13. Scheduled for oral argument 5/7/13.	Varcoe C. Neilson - NRED Nina Robertson - ENRD Appellate
<i>Winterhawk Outfitters* v. U.S.</i> , <b>Fed. Cir. No. 13-5063</b>	No. 12-133C (Fed. Cl. Jan. 2, 2013).	Suit for damages following a Forest Service decision to terminate a hunting outfitter's special use permit in the White River National Forest.	Notice of Appeal filed 2/27/13. Opening brief filed 4/29/13. Response brief due 6/10/13.	Spicknall Diane Connolly Ellen Lynch, DOJ

USDA OFFICE OF THE GENERAL COUNSEL  
ONGOING LITIGATION

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
(Under Seal) - False Claims Act qui tam case	U.S. District Court	AMS, FSIS, FNS, GIPSA, OSE, OCR	\$ 200,000,000	False Claims Act qui tam case alleging fraud in contracts with the government
(Under seal) False Claims Act case	U.S. District Court	Food Safety and Inspection Service		False Claims Act
(Under seal) False Claims Act case	U.S. District Court	Farm Service Agency	U.S. seeks between \$15 million and \$30 million	False Claims case.
(Under Seal) No. 1:4-CV-0280 (D.D.C.)	U.S. District Court	Forest Service		Qui tam case involving the sale of defective product to government agencies
(Under Seal) Quiet Title Act claim	U.S. District Court	Forest Service		Quiet title Act claim seeking to quiet title to section line rights of way on the Dakota Prairie Grasslands
(Under Seal), 3:13-CV-52-f-12JBT	M.D. Fla.	Agricultural Marketing Service		False Claims Act (Qui Tam)
(Under Seal), SACV-08-4406 DOC (SH)	C.D. Ca.	Agricultural Marketing Service (AMS)		False Claims Act (Qui Tam)
1 administrative case regarding research and promotion programs	USDA Administrative Law Judge	Agricultural Marketing Service		Research and promotion programs are authorized under a variety of statutes for a number of agricultural commodities. There are a variety of legal remedies available under the statutes.
108 Packers & Stockyards Act administrative enforcement actions	USDA Administrative Law Judge	Grain Inspection, Packers and Stockyards Administration		USDA enforces most of the requirements of the Packers and Stockyards Act to protect livestock and poultry producers and consumers from unfair or deceptive trade practices.
114 Horse Protection Act administrative cases	USDA Administrative Law Judge	Animal and Plant Health Inspection Service		The Horse Protection Act prevents the cruel and inhumane treatment of horses by persons causing or allowing horses to be "sored" for the purposes of enhancing their appearance or performance while, showing, exhibiting or selling. USDA enforces the Act by bringing administrative actions seeking the civil penalties and/or disqualifications.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
125 Louisiana Contract/Private Attorney RD Foreclosures				
14 National Organic Program administrative cases	USDA Administrative Law Judge	Agricultural Marketing Service		The National Organic Program establishes national standards governing the labeling of organically produced products in order to facilitate interstate commerce in organically produced foods and products. USDA enforces the requirements of the Act and regulations primarily by commencing administrative actions seeking civil monetary penalties and suspensions and/or revocations.
15 Animal Health Protection Act (AHPA) or Plant Protection Act (PPA) administrative cases	USDA Administrative Law Judge	Animal and Plant Health Inspection Service		The AHPA and the PPA authorize the Secretary to regulate the importation or interstate movement of plants and animals in order to prevent, control or eradicate plant pests, noxious weeds, or livestock pests and diseases.
17 Condemnation Cases				Condemnation (FSA and RUS)
2 FSIS administrative cases	USDA Administrative Law Judge	Food Safety and Inspection Service		Federal Meat Inspection Act, Poultry Products Inspection Act, Egg Products Inspection Act all protect the health and welfare of consumers by assuring that meat, poultry, and egg products are wholesome, not adulterated and properly labeled. Administrative actions deny or withdraw inspection from individuals or establishments unfit to engage in business or that fail to comply with sanitation requirements.
2 Grain Inspection Service administrative actions	USDA Administrative Law Judge	Grain Inspection, Packers and Stockyards Administration		U.S. Grain Standards Act promotes and protects the interests of producers, merchandisers, warehousemen, processors and consumers of grain, provides for the establishment of uniform grain standards, provides a uniform inspection system and regulates the weighing and certification of grain shipped in interstate or foreign commerce.
23 Perishable Agricultural Commodities Act reparation cases	Judicial Officer	Agricultural Marketing Service		PACA also provides an administrative forum for the adjudication of contract disputes (reparation proceedings) involving licensees in which USDA acts as the presiding officer.
2942 Bankruptcy cases	Bankruptcy Court	Farm Service Agency		includes highly contested and complicated adversary proceedings; also RD, AMS

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
32 Perishable Agricultural Commodities Act administrative cases	USDA Administrative Law Judge	Agricultural Marketing Service		The Perishable Agricultural Commodities Act (PACA) regulates the marketing and trade practices of the perishable commodities industry. USDA enforces the requirements of the Act and regulations by initiating administrative enforcement actions seeking civil penalties, or suspension or revocation of license.
37 Agricultural Marketing Agreement Act of 1937 administrative cases	USDA Administrative Law Judge	Agricultural Marketing Service		The Agricultural Marketing Agreement Act of 1937 provides orderly and stable market conditions for agricultural commodities under marketing agreements and marketing orders.
383 Arkansas Contract/Private Attorney RD Foreclosures				
4 Personnel suits	Court of Federal Claims			various cases alleging violations of the Fair Labor Standards Act and suit alleging former employees of the Mexican American Screwworm Eradication Commission should be treated as non-employees
12 CBCA administrative litigation cases	Civilian Board of Contract Appeals			CBCA cases
15 NAD administrative litigation cases	National Appeals Division			NAD cases
85 Animal Welfare Act (AWA) administrative litigation cases				AWA cases
80 Debt Collection cases				Debt collection
408 Flat Willow – 2 Objections; unknown number of Counter Objections will be filed	State Court	Forest Service		Water rights adjudication for the 408 Flat Willow basin in Montana
411 Smith River – 69 Objections; unknown number of Counter Objections	State Court	Forest Service		Water rights adjudication for the 411 Smith River basin in Montana
41D Big Hole – 211 Objections; 26 Counter Objections	State Court	Forest Service		Water rights adjudication for the 41D Big Hole basin in Montana
41Q Missouri River (Sun River to Marias) – 63 Objections; unknown number of Counter Objections	State Court	Forest Service		Water rights adjudication for the 41Q Missouri River (Sun river to Marias) basin in Montana

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
41QJ Missouri River (Holter to Sun River) -- 29 Objections; unknown number of Counter Objections	State Court	Forest Service		Water rights adjudication for the 41QJ Missouri River (Holter to Sun River) basin in Montana.
42 FNS Debarment Cases	U.S. District Court	Food and Nutrition Service		Judicial review of FNS disqualification of Supplemental Nutrition Assistance Program
42B Tongue River Above & Including -- 15 Objections	State Court	Forest Service		Water rights adjudication for the 42B Tongue River basin in Montana
42C Tongue River Below -- 99 Objections; 203 Counter Objections	State Court	Forest Service		Water rights adjudication for the 42C Tongue River basin in Montana
50 Private Attorney ED OK Foreclosures				
532 Pending Patent Applications	Patent and Trademark			N/A Currently pending are 532 foreign & domestic applications for ARS, FS & APHIS
63 Mississippi Non-Judicial Foreclosures				
68 Animal Welfare Act administrative cases	USDA Administrative Law Judge	Animal and Plant Health Inspection Service		The Animal Welfare Act ensures that covered animals are provided humane care and treatment. USDA enforces the Act by commencing administrative action seeking civil penalties and cease and desist orders for alleged violations of the Act and regulations.
6998 Foreclosure cases	U.S. District Court	Farm Service Agency		Includes contested foreclosures, third-party foreclosures filed in state courts, and bankruptcy relief from stay; also involves RD foreclosures
7 SNAP Fraud Cases	U.S. District Court	Food and Nutrition Service		SNAP Fraud
76F Blackfoot -- 64 Objections; unknown number of Counter Objections	State Court	Forest Service		Water rights adjudication for the 76F Blackfoot basin in Montana
Ace American Insurance Company, et al. v. Federal Crop Insurance Corporation	Civilian Board of Contract Appeals	Risk Management Agency	\$200 to 300 million	Approved insurance providers claim RMA's changes changes to rates violated the Standard Reinsurance Agreement
Ace Property & Casualty Insurance	Civilian Board of Contract Appeals	Risk Management Agency		Crop Insurance claim

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Adams County Water Association vs. City of Natchez, Ms. and Natchez Waterworks (S.D. Ms.)	U.S. District Court	Rural Development		Water Service Area Claim under 7 USC 1926b
Adhm Abdel-Jalil d/b/a Handy Mart Truck Stop v. USA	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Aero Union Corp., CBCA 2593	Civilian Board of Contract Appeals	Forest Service	Seeking conversion to termination for convenience	Appeal of termination for default
Affirmative: U.S. v. Western Radio (11-cv-00638-S)	U.S. District Court	Forest Service		Unauthorized communications tower built; US seeks removal. The court ruled against defendant and concluded it built unauthorized improvements on Forest Service lands.
Affirmative: United States v. Rairdon Doremus	U.S. District Court	Forest Service		Violation of the Mining Laws and Forest Service regulations - mining with no Plan of Operations.
African International Store, Makulah S. Kamana and Mamadee S. Jabateh, v. USDA	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Aileen O'Catherine & Steve Silver v. US	U.S. District Court	Forest Service (FS)	\$ 12,000,000	FTCA - Sledding Accident
AIMMCO v USDA	9th Circuit	Forest Service	n/a	Petition for cert pending regarding standing to sue under NEPA
Alabama Coushatta Tribe of Texas v Salazar and Vilsack	U.S. District Court	Forest Service		Tribe Claims aboriginal ownership of National Forest
Alaska v. USDA	U.S. District Court	Forest Service		The State of Alaska claims that USDA violated numerous statutes by applying the Roadless Rule to the Tongass and Chugach National Forests. Court dismissed case for failure to file before statute of limitations expired. Still in appeal period.
Albern I. Spoolstra v. United States of America	U.S. District Court	Forest Service		Plaintiff seeks to quiet title to property the United States maintains an right-of-way easement.
Albert Pike Litigation (involves 11 cases for wrongful death)	U.S. District Court	Forest Service	\$513,738,672	June 2010 Albert Pike Recreational Area wrongful death lawsuits(Note: these cases may be reported also by the General Law Div.)
A-Life, Ltd	Ghana	Commodity Credit Corporation	\$ 1,700,000	Supplier Credit (Ghana)

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy		Brief Description of the Case
Allraj Enterprises, Inc. d/b/a Broadway Grocery Stop v. USA	U.S. District Court	Food and Nutrition Service			SNAP Disqualification
Alliance for the Wild Rockies et al. v. Brazell	U.S. District Court	Forest Service			Challenge to the Little Slate Project on the Clearwater National Forest. NEPA, NFMA, ESA, APA.
Alliance for the Wild Rockies et al. v. Chip Weber	U.S. District Court	Forest Service			Challenge to the Pre-Commercial Thinning Project on the Flathead National Forest. NEPA, NFMA, ESA.
Alliance for the Wild Rockies et al. v. Krueger	U.S. District Court	Forest Service			Challenge to the Cabin Gulch Project on the Helena National Forest. ESA, NEPA, NFMA, APA.
Alliance for the Wild Rockies et al. v. Vicki Christiansen	U.S. District Court	Forest Service			Challenge to the East Boulder Fuels Reduction Project and the Bozeman Municipal Watershed Project on the Gallatin National Forest. ESA, NEPA, NFMA, APA.
Alliance for the Wild Rockies v. Paul Bradford	U.S. District Court	Forest Service			Challenge to the Grizzly Vegetatin and Transportation Management Project - Kootenai National Forest. ESA, NFMA, NEPA, APA.
Alliance for the Wild Rockies v. USDA, et al.	U.S. District Court	Animal and Plant Health Inspection Service			Plaintiffs challenge the use of helicopters to haze bison because of the detrimental effects on endangered Yellowstone grizzly bears
Alliance for the Wild Rockies v. Weldon	U.S. District Court	Forest Service			Challenge to helicopter hazing of bison - Gallatin National Forest, NEPA, NFMA, ESA.
Allied Home Mortgage Capital Corporation vs. The United States of America	Court of Federal Claims	Rural Development	\$21 million		U.S. claim against original lender of Multi-Family Housing property owner.
Alverion, Inc. v. U.S.	Court of Federal Claims	Rural Development	\$	11,000,000	Vendor of broadband borrower asserting third party beneficiary claim under RUS loan contract
Am. Forest Res. Council, et al. v. Vilsack	U.S. District Court				Plaintiffs allege violations of the Organic Act of 1897, Multiple-Use Sustained Yield Act, National Forest Management Act, and Administrative Procedures Act.
American Agri-Business	Civilian Board of Contract Appeals	Risk Management Agency			Challenge to denial of claim because of misrepresentation of acreage
Amy Miller v. Thomas Vilsack, Secretary	U.S. District Court	Rural Development			Alleges APA violation by failing to implement provisions that would provide moratorium relief, refinancing, servicing, etc.
Andre B. Peerv. Vilsack	U.S. District Court	Farm Service Agency			Program discrimination and Age & Employment Act

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Andrew Mattie v. U.S.	U.S. District Court	Forest Service	\$ 20,000,000	FTCA - Auto Accident (off highway)
Andreychenko, Victor	U.S. District Court	Farm Service Agency	\$153,645.00	Active Chapter 12 Case
Animal Legal Defense Fund v. USDA	U.S. District Court	Animal and Plant Health Inspection Service		Challenge to license renewal under the Animal Welfare Act
Animal Legal Defense Fund v. USDA	U.S. District Court	Food Safety and Inspection Service		Declaratory Judgment action challenging the denial of a petition for rulemaking with respect to foie gras production
Aquilina Rodriguez v. U.S.	U.S. District Court	Agricultural Research Service (ARS)	\$ 30,000	FTCA -Auto Accident
Backcountry Hunters and Anglers v. USFS	U.S. District Court	Forest Service		Alleged violations of NEPA, NFMA, and Executive Orders 11644 and 11989 regarding ongoing single track motorized use on 14 trails in the Rico-West Dolores area, San Juan NF.
Baddoo (dba Crossland International Market) v. United States	U.S. District Court	Food and Nutrition Service		Alleges wrongful denial of authorization (SNAP).
Ballon et al. v. USA	U.S. District Court	Grain Inspection, Packers and Stockyards Administration		Tort claim
Barber, Gregory and George	Bankruptcy Court	Farm Service Agency		
BARK v. United States Forest Service	U.S. District Court	Forest Service	N/A	Complaint alleges that fees charged by campground concessioners in multiple regions of the Forest Service are subject to the requirements for recreation fees charged by the Forest Service under the Federal Lands Recreation Enhancement Act.
Barkat Noorali, Amir Bano Ali and In N' Out #2 v. USA	U.S. District Court	Food and Nutrition Service		Judicial Review of FNS Imposed Transfer of Store Penalty.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy		Brief Description of the Case
Bass v. Vilsack	U.S. District Court	Natural Resources Conservation Service			Plaintiff's appeal of determination by NRCS that they wrongly converted their wetland to farmland
Bear Mountain Fire LLC v. USDA, CBCA No. 3248	Civilian Board of Contract Appeals	Forest Service	\$	5,000	Appellant appeals procurement costs and parties are engaged in discovery.
Beasley v. US, 12-3136	U.S. District Court	Forest Service			Plaintiff alleges that his easement authorizes him to plow snow over Forest Service road during the winter without permission. Parties' motion for summary judgment pending before the court.
Beaverhead Co. Commissioners v. USFS	U.S. District Court	Forest Service			NEPA, WSRA challenge to Beaverhead-Deerlodge NF Revised Forest Plan
Bernabe Mora v. USDA	U.S. District Court	Farm Service Agency			
Berry v. US 12-5606	National Appeals Division	Forest Service			Plaintiff brings an action for specific performance to direct the Forest Service into a land exchange within the Mt. St. Helens National Volcanic Monument area on the Gifford-Pinchot National Forest. Parties are preparing their briefs for summary judgment.
Bettencourt Dairy	U.S. District Court	Farm Service Agency		\$232,498.42	Active Chapter 12 Case
Bettencourt, Jose	U.S. District Court	Farm Service Agency		\$279,885.01	Active Chapter 12 Case
Beverly Telfia v. U.S.	U.S. District Court	Food Safety and Inspection Service	\$	153,100	FTCA - Auto-accident
Billings Co. et al. v. United States of America	U.S. District Court	Forest Service			Quiet title Act claim seeking to quiet title to section line rights of way on the Dakota Prairie Grasslands - Little Missouri National Grasslands
Biodiversity Conservation Alliance, et al. v. USFS	U.S. District Court	Forest Service		Injunctive relief	NEPA challenge to implementation to amendment of Black Hills NF plan.
Boeuf River Farm, Inc. v. U.S. Department of Agriculture, FSA	U.S. District Court	Farm Service Agency			Loan Servicing Issue
Boresek, F.J. Trustee of the F.J. Boresek Trust / USDA/FSA/Bussman, Christian 12-2138-AA	U.S. District Court	Farm Service Agency			Plaintiff/Trustee for Boresek Trust brings a quiet title action seeking a priority lien hold position. US preparing a motion to dismiss on the basis of sovereign immunity.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Brickman v. RD and OIG	U.S. District Court	RD	\$ 50,000	FOIA
Brightleaf v. FOIC	U.S. District Court	Risk Management Agency		Challenge to denial of tobacco insurance claim
Brosky v. O'Neill	U.S. District Court	Forest Service		Bivens action against FS Law Enforcement Officer alleging false arrest
Brown et al. v. Vilsack 11-895	U.S. District Court	Forest Service		Challenge to Columbia River National Scenic Area management plan. Parties settled and now discussing EAJA fees.
Buchnoff, William A.	U.S. District Court	Farm Service Agency	\$338,362.06	Active Chapter 12 Case
Burbank Food, Liquor, and Deli v. United States of America	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Butte Timberlands, LLC v. USDA, CBCA 3232	Civilian Board of Contract Appeals	Forest Service	\$ 700,000	After the Forest Service canceled the Iron Reoffer timber sale contract, appellant now claims the original bidder was his agent and authorized to bind Butte Timberlands LLC to this contract. The parties are engaged in discovery.
Cabral, Antonio and Irene	Bankruptcy Court	Farm Service Agency	\$566,200.11	Chapter 12 bankruptcy
California Resources Agency, et al. v. USDA	U.S. District Court	Forest Service	N/A	NEPA challenge to four Southern California Forest Plans currently implementing remedy
Campbell v. Bowen	State Court	Farm Service Agency	na	Partition action by family where RHS and FSA have liens
Carl v. U.S. Sec. of Agriculture	U.S. Court of International Trade	Foreign Agricultural Service	\$ 12,000	Trade Adjustment Assistance
Carmo, Joe, Avila & Delma	U.S. District Court	Farm Service Agency	\$39,655.44	Active Chapter 12 Case
Carruesco, Gary, Sharon & Elaine	Bankruptcy Court	Farm Service Agency	\$2,595.24	

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Cascadia Wildlands and Oregon Wild / U.S. Forest Service; and Freres Lumber Co.; and Seneca Sawmill Co. 12-804-AA		Forest Service		This is a NEPA challenge to the Goose Project EA. Plaintiffs allege the project fails to disclose and address scientific controversy about the interaction between barred owls and spotted owls, and the efficacy of thinning in Riparian Reserves. District court granted plaintiffs' motion for summary judgment and enjoined the agency from implementing the project until it completes an EIS.
Casey D. Allen, et al. v. USA	Court of Federal Claims	FS	\$2,500,000.00	The complaint alleges that the FS Breach of rental agreement and caused an inverse condemnation when it announced its new policy
CBD v. Heather Provencio, et al.	U.S. District Court	Forest Service		NEPA, ESA (Chiricahua Leopard Frog) challenge to grazing permit on Fossil Creek watershed, Coconino NF, Arizona
Gebe Farms v. US	Court of Federal Claims	Animal and Plant Health Inspection Service	Potential loss is between \$1.5 million and \$7.5 million	Constitutional Takings case involving the destruction of diseased chickens in CA
Center for Biological Diversity v. Weingardt	U.S. District Court	Forest Service	N/A	NEPA/NFMA challenge to oil and gas leasing decision on the Los Padres National Forest
Center for Biological Diversity, et al. v. United States Forest Service	U.S. District Court	Forest Service	Unspecified	Three environmental groups sued the Forest Service seeking injunctive relief pursuant to Section 7002 of the Resource Conservation and Recovery Act with respect to the Kaibab NF. The Complaint alleges that the Forest Service has failed to take action to stop the disposal of lead in the form of spent ammunition on Forest Service land which presents an "imminent and substantial endangerment to health of the environment."
Center for Sierra Nevada Conservation, et al. USDA	U.S. District Court	Forest Service	N/A	Challenge to travel management decision on the El Dorado National Forest. Currently implementing remedy
Central Oregon LandWatch / Connaughton, Kent and John Allen 12-1757		Forest Service		Plaintiff challenges Forest Service approval of a proposed city water supply service. Plaintiff was granted a temporary restraining order and preliminary injunction. Forest Service has withdrawn the project. EAIA fees are in discussion.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Central Oregon Landwatch v. Connaughton and Allen 12-1757	U.S. District Court	Forest Service		Plaintiff challenges, pursuant to NEPA, the Forest Service approval of a permit for the City of Bend's water supply system. Plaintiff was granted a restraining order and preliminary injunction. Forest Service has withdrawn its approval and the parties are discussing EAJA fees.
Central Sierra Environmental Resource Center v. USFS	U.S. District Court	Forest Service		N/A Challenge to the travel management decision on the Stanislaus National Forest
Ceres Caribe v. USDA	Civilian Board of Contract Appeals	Forest Service	\$ 1,000,000	Contractor seeking damages for failure of road construction contract
Chad Matthews v. Thomas J. Vilsack	U.S. District Court	Farm Service Agency	na	Record Review on CSP Contract Termination
Chameleon Integrated Services, Inc. v. United States, 1:13-cv-00144 (McClellan)	U.S. Court of Federal Claims	[the client is OPPM under Departmental Management]		N/A Bid Protest
Chanadda Dawn/D&H Grocery v. United States Dept. of Agriculture	U.S. District Court	Food and Nutrition Service	\$55,000	Challenge by store owner re: permanent disqualification from participating in SNAP.
Charles Tobacco Corporation	TBD	Commodity Credit Corporation	\$ 16,087	Tobacco Buyout Assessment
Chase Home Finance v. Vilsack	U.S. District Court	Rural Development		Alleged violation of Administrative Procedure Act and Due Process in servicing Rural Housing Guaranteed Loans
Chickasaw Nation et al. v. Department of Interior et al.	U.S. District Court	Forest Service	\$ 400,000,000	Breach of fiduciary duty in administration of tribal lands and assets
Chidi Onukwugha, dba Angel Food Market v. USA	U.S. District Court	Food and Nutrition Service		Challenge to FNS disqualification of SNAP retailer.
Choctaw Transportation Company v. U.S. Dept. Of Agriculture	Civilian Board of Contract Appeals	Natural Resources Conservation Service	\$4.5 million	Contractor seeks equitable adjustment

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Chugach Alaska Corporation	Department of Interior	Forest Service		Alaska Native corporation for the region encompassing most of the Chugach NF has 15 claims to ownership of historical sites in the forest pursuant to section 14(h)(1) of the Alaska Native Claims Settlement Act, pending before the Interior Dept.
Chumela Vineyards, Inc.	Bankruptcy Court	Farm Service Agency	\$327,134.19	Borrower filed Chapter 7 on 5/18/2011 and it is still open
Churchill Association for Retarded Citizens, Inc.	State Court	Rural Development	\$1,603,121.30	Waiting for distribution of sale from bankruptcy trustee
City of Baker City v. USFS	U.S. District Court	Forest Service		Quiet Title action re city ditch easements, Wallows-Whitman National Forest
City of Tombstone v. USFS	Court of Appeals	Forest Service		Dispute relating to repair of water facilities in designated Wilderness Area
Clint Chambers v. U.S.	U.S. District Court	Forest Service	\$1,000,000	FTCA - Personal Injury (during arrest)
Club Tobacco, Inc.	TBD	Commodity Credit Corporation	\$ 26,732	Tobacco Buyout Assessment
Cole Brothers v. U.S.	U.S. District Court	Forest Service	\$2,666,242	FTCA - Forest Fire
Colorado Wild v. Vilsack	U.S. District Court	Forest Service	\$192,464 attorneys fees	NEPA/NFMA challenge to proposed FS timber sale.
Communications Relay, Inc.	U.S. District Court	FS	\$94,948.91*	Plaintiffs alleges that the FS is charging for two Special Use Permits for the same single communication site. Plaintiffs seeks monies paid in proest
Compart Boar Store, Inc. v. U.S.	U.S. District Court	Animal and Plant Health Inspection Service (APHIS)	\$ 3,428,096	FTCA - Negligent Meat Inspection
Compassion over Killing v. USDA, et al.	U.S. District Court	Food Safety and Inspection Service		Declaratory judgment action challenging the denial of a petition for rulemaking with respect to egg labeling.
Congregation Machna Shalva Zichron Zvi David v. US	U.S. District Court	Food and Nutrition Service		Plaintff alleges that denial of its eligibility to participate in Summer Food Service Program violates Regulatory Flexibility Act
Conservation Congress v. Finley	U.S. District Court	FS	N/A	Environmental challenge (NEPA, NFMA, ESA) to Beaverslide TS on Six Rivers NF

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Conservation Congress v. Sharon Heywood	U.S. District Court	Forest Service	N/A	NEPA, NFMA, ESA challenge to the Gemill Thin Vegetation Mgmt Project on the Shasta Trinity National Forest
Conservation Congress v. USFS	U.S. District Court	Forest Service	N/A	EPA, ESA, challenge to Mudflow Vegetation Mgmt Project on the Shasta-Trinity NF
Conservation Congress v. USFS	U.S. District Court	Forest Service	N/A	NEPA, NFMA, ESA challenge to the Algoma Vegetation Mgmt Project on the Shasta Trinity National Forest
Conservation Congress v. USFS	U.S. District Court	FS	N/A	Environmental challenge (NEPA, ESA) to Tatham M9, & Log Springs Projects on Mendocino NF
Conservation Northwest et al. v. Rey	Court of Appeals	Forest Service		Challenge to Survey Manage mitigation measure settled, appealed by intervenors to 9th Circuit. 9th Circuit reverses district court's approval of parties' settlement agreement.
Contract Dispute: 1-A Construction	Civilian Board of Contract Appeals	Forest Service	\$ 6,000	Contractor challenges validity of contract termination for default. The Board has not pressed appellant for further proceedings, and settlement discussions have stalled.
Contract Dispute: Scott Timber Co. v. U.S (Scott 2), U.S. Court of Federal Claims #05-708C	U.S. District Court	Forest Service	\$ 7,000,000	Contractor was awarded damages for suspension of Whitebird, Pigout and Jigsaw timber sales; US is appealing. The government prevailed at the Federal Circuit, reversing the lower court's award of \$6.8 million. Plaintiff is contemplating petitioning for writ of certiorari, but no confirmation yet.
Contract Dispute: Zip-O-Log Mills, Inc. v. U.S., U.S. Court of Federal Claims #04-1123C	U.S. District Court	Forest Service	\$ 4,000,000	Contractor seeks damages for suspension of Clark timber sale; alternative argument cancellation damages. Parties are currently engaged in settlement discussions.
Corey Lea, Inc., Corey Lea v. USDA	State Court	Farm Service Agency		Discrimination claim arising out of denial of loan. Notice of appeal filed 8/5/11. No action from court since appellant moved to proceed inform a pauperis on 10/26/11. On 6/19/12, defendant Farmers National Bank moved to expedite decision.
Cory Fountain v. U.S.	U.S. District Court	Natural Resources Conservation Service (NRCS)	\$ 10,000,000	FTCA - Auto Accident
County of Merced v. US	U.S. District Court	Rural Development		Quiet title action

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
County of San Diego v. USDA	U.S. District Court	Forest Service	N/A: Injunctive relief EAJA Fees only	Challenging the FS decision to reopen Cedar Creek Falls under restrictions, including a visitor use permit program, under NEPA and NFMA
County of Shoshone et al. v. United States of America	Court of Appeals	Forest Service		Plaintiffs seek to quiet title to a claimed right of way on the East Fork Eagle Creek Road - Idaho Panhandle National Forests
Cox, Larry L. and Renee M. v. USDA	State Court	Rural Development		Notice of appeal filed. Requesting review of federal district court decision.
Crewzers Fire Crew Transport, Inc. v. United States, No. 11-607C	Court of Federal Claims	Forest Service		Crewzers has filed a complaint in the Court of Federal Claims following the decision of the Forest Service to terminate Crewzers' national Blanket Purchase Agreement (BPA) to provide crew carrier buses in response to fires and other incidents on a local, regional, and national levels. The BPA was awarded to Crewzers for a three-year period. The Forest Service terminated Crewzers' BPA for cause for failure to adhere to the terms and conditions of the BPA.
Criminal: U.S. v. Clifford Tracy	U.S. District Court	Forest Service		Illegal occupancy; unauthorized mining. Defendant found guilty of operating without approved plan of operations.
Criminal: U.S. v. James Fournier	U.S. District Court	Forest Service		Illegal occupancy on Bobcat mine claim. Defendant's appeal of criminal conviction to the 9th Circuit denied. Case closed/DELETE.
Criminal: U.S. v. Lennie Ames	U.S. District Court	Forest Service		Illegal occupancy on Bobcat mine claim. Defendant's appeal of criminal conviction to the 9th Circuit denied. Case closed/DELETE.
Criminal: U.S. v. Michael Backlund, cr-00477 MO	U.S. District Court	Forest Service		Illegal occupancy on Climax mine claim. 9th Circuit reverses District Court and concludes that Defendant Backlund is entitled to judicial review of the Forest Service's determination that his residence was not reasonably incident to qualifying mining operations. The parties are currently responding to the Court's briefing schedule.
Criminal: U.S. v. Needles and McBroom	U.S. District Court	Forest Service		Illegal occupancy on Orion mine claim. Defendant Needles' appeal of criminal conviction to the 9th Circuit denied. Defendant McBroom was dismissed from the district court lawsuit. Case closed/DELETE.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Cure Land LLC v USDA	U.S. District Court	Farm Service Agency		Challenge to FSA amendments to Republican River Conservation Reserve Enhancement Program
Daniel Gabino Martinez v. U.S. et al.	Court of Federal Claims		\$ 637,960	Plaintiff Martinez alleges a taking of property. Mr. Martinez claims he had a right to place cattle on vested water rights owned by the Martinez Ranch without a permit from the USFS and was not in trespass.
David Morgan v. United States of America	U.S. District Court	Rural Development		Challenge to loss guarantee on RHS loan
David Shayne Heine et al. v. Vilsack	U.S. District Court	Food Safety and Inspection Service		Civil action seeking declaratory relief, injunctive relief and money damages based on allegations that FSIS inspectors failed to follow proper procedures in veal slaughter plants and conspired to shut down a plant owned by plaintiff resulting in monetary losses.
Davis v. Vilsack 12-01974	U.S. District Court	Rural Development	To be determined at trial	Plaintiff alleges violations of the Rehabilitation Act and retaliation after filing an EEO claim. Parties are engaged in discovery.
Dawson Farms FSA Fraud Case	U.S. District Court	Farm Service Agency		Payment Limitation
Debra Kubecki v. United States	U.S. District Court	Farm Service Agency		
Del Norte County v. USFS	U.S. District Court	Forest Service	N/A	Challenge to travel management decision on the Six Rivers National Forest. Case is stayed pending completion of new NEPA analysis.
Delano Farms v. Calif. Table Grape Commission	U.S. District Court	Agricultural Research Service	None	On remand from the Federal Circuit, plaintiffs seek a declaratory judgment that three USDA plant patents are invalid, thereby voiding an exclusive license with the Commission
Deneen L. Phillips v. Michael Dunn, et al.	U.S. District Court	Forest Service		Plaintiff alleges sexual harassment based on gender. Pending
Denise Lobell v. Vilsack, USDA	U.S. District Court	Animal and Plant Health Inspection Service		Employment discrimination
Dhaliwal Petroleum, LLC v. USDA and Michael Skaer	U.S. District Court	Food and Nutrition Service		SNAP Disqualification

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Diamanet, Inc.	Bankruptcy Court	Farm Service Agency	\$713,750.65	Active Chapter 13 Case
Dollar Plus Store v USDA	U.S. District Court	Food and Nutrition Service		Disqualification to SNAP program
Duby v. USA	Bankruptcy Court	Rural Development	\$15,000	Plaintiff seeks attorneys fees, sanctions and emotional distress damages for agency's inadvertent violation of discharge injunction in bankruptcy court
EAJA: Marlene Cannon, NAD Case No. 2010W000048	National Appeals Division	Rural Development	\$17,000	Applicant successful challenging Rural Housing loan servicing in Alaska, seeks attorney's fees. The director reversed the EAJA adjudicating officer's determination denying appellant's EAJA application. Case closed/DELETE
Earth Island Institute v. Carlton, et al. -2:09-cv-02020-MCE-EFB	U.S. District Court	Forest Service		NEPA claim re: Moonlight Wheeler Fires Recovery & Restoration Project
Earth Island Institute v. USFS- 2:11-cv-00402-GEB-DAD	U.S. District Court	Forest Service		NEPA claim re: Angora Fire Restoration Project
Earth Island Institute v. USFS-2:08-cv-01897-JAM-IFM	U.S. District Court	Forest Service		NEPA claim re: Champs Project on Lassen NF
Eight Alaska Native Allotment Claims	Department of Interior	Forest Service		The heirs of eight different Alaska Native individuals claim entitlement to an allotment of up to 160 acres for each individual from the Tongass and Chugach NFs pursuant to the Alaska Native Allotment Act of 1906, pending before the Interior Dept.
Elbram Stone, LLC v. US	U.S. District Court	Forest Service		Approval of operations on a mining claim
Elizabeth/Daniel/Lee Snider v. Sterling Airways/Cont. Motors/Tech	U.S. District Court	Forest Service	Several million	Wrongful Death (not FTCA)
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges discrimination based on gender and national origin when supervisory duties were removed
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges discrimination based on race when supervisory duties were removed

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges discrimination based on race when she was denied telework agreement
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages amt not yet specified + atty's fees	Complainant alleges discrimination & harassment based on gender & reprisal when supervisor failed to process workers' compensation claim
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified + atty's fees	Complainant alleges discrimination & harassment based on gender and reprisal (various incidents)
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified + atty's fees	Complainant alleges discrimination & harassment based on gender and reprisal when seasonal appointment was not extended
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges discrimination based on gender and reprisal when she was denied fire assignments
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges discrimination based on gender and reprisal (various incidents)
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges sexual harassment by second-line supervisor (multiple incidents).
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	EEOC OFO found Agency failed to comply with settlement agreement and ordered complaint reinstated
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges discrimination based on gender, age and reprisal when she was passed over for assignments

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges discrimination and harassment based on gender and reprisal (multiple incidents)
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	Monetary damages-amt not yet specified	Complainant alleges discrimination based on gender, physical disability & reprisal when her former supervisor subjected her to sexual & non-sexual harassment
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 5,000	Issues: Personnel Issues Bases: Sex, age
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 150,000	Issues: Non-selections Bases: Race, national origin, religion, age, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 100,000	Issues: Breach of settlement agreement.
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 275,000	Issues: Reassignment, failure to provide training, failure to provide desk audit Bases: Sex
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 100,000	Issues: Non-selection; personnel issues Bases: Race, age, national origin
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 75,000	Issues: Personnel issues Bases: Race, color, age, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 75,000	Issues: Failure to provide adequate discretionary funds; harassment Bases: Reprisal

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 150,000	Issues: Personnel issues Bases: National origin, race, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Departmental Management	\$ 300,000	Issues: Harassment Bases: Sex, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Economic Research Service	\$ 200,000	Issue: Constructive Discharge Bases: Race, national origin
Employment Discrimination	Equal Employment Opportunity Commission	Economic Research Service	\$ 5,000	Failure to reasonably accommodate
Employment Discrimination	Equal Employment Opportunity Commission	Rural Development	\$ 300,000	Issues: Denial of quality step increase; personnel issues Bases: Reprisal
Employment Discrimination	U.S. District Court	Farm Service Agency	\$ 300,000	Issues: Personnel issues Bases: Reprisal, age, sex, race
Employment Discrimination	U.S. District Court	Agricultural Research Service	\$ 16,500,000	Issues: Discipline, prior termination, harassment Bases: Race, national origin, age, reprisal
Employment Discrimination	U.S. District Court	Rural Development	UNKNOWN	Employment discrimination related to non-selection and retaliation
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Marketing Service	\$ 3,500,000	Issues: Harassment Bases: Reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Marketing Service	\$ 250,000	Issues: Reassignment; harassment Bases: Sex, race, reprisal

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 15,000	Issue: Personnel Issues Bases: Reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 75,000	Issues: Personnel issues Bases: Sex
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 100,000	Issues: Personnel Issues Bases: Sex, race, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 50,000	Issue: Non-Selection Bases: Age, sex
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 20,000	Issues: Non-Promotion Bases: Race, age, sex, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 100,000	Issues: Personnel issues; failure to reasonable accommodate Bases: Religion, disability
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 25,000	Issues: Discipline, personnel issues Bases: Age, sex, disability, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 200,000	Issues: Premature ending of detail Bases: Reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 120,000	Issues: Personnel issues Bases: Sex, reprisal

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 50,000	Issues: Decreased work hours Bases: Reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 75,000	Issues: Personnel issues Bases: Reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 20,000	Issues: Letter of Reprimand, performance ratings, harassment Bases: Race, color, national origin
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 500,000	Issues: Personnel Issues Bases: Disability
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 10,000	Issues: Personnel issues Bases: Age, sex, disability, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 60,000	Issues: Personnel issues Bases: Sex, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Agricultural Research Service	\$ 23,000	Issue: Directed reassignment Bases: Age, race, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Animal and Plant Health Inspection Service	\$ 300,000	Improper dismissal and denial of mediation session
Employment Discrimination	Equal Employment Opportunity Commission	Animal and Plant Health Inspection Service	\$ 250,000	Issues: Reassignment; harassment; failure to accommodate (religion); failure to reasonably accommodate (disability) Bases: Sex, race, religion, disability, reprisal

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	Equal Employment Opportunity Commission	Animal and Plant Health Inspection Service	\$ 100,000	Issues: Rotational schedule and changes in duty station Basis: Age
Employment Discrimination	Equal Employment Opportunity Commission	Animal and Plant Health Inspection Service	\$ 126,627	Sexual Harassment
Employment Discrimination	Equal Employment Opportunity Commission	Animal and Plant Health Inspection Service	Non-Monetary	Issues: Personnel Issues Basis: Reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Departmental Management	\$ 100,000	Breach of Settlement Agreement
Employment Discrimination	Equal Employment Opportunity Commission	Departmental Management	Non-Monetary	Issue: Hostile Work Environment Basis: Religion
Employment Discrimination	Equal Employment Opportunity Commission	Departmental Management	\$ 197,000	Issues: Performance rating; personnel issues Bases: Sex
Employment Discrimination	Equal Employment Opportunity Commission	Departmental Management	\$ 450,000	Issues: Non-Selection; Withdrawal of Presidential Rank Award Bases: Age, race, color, sex
Employment Discrimination	Equal Employment Opportunity Commission	Departmental Management	\$ 300,000	Issues: Non-selection Bases: Reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Departmental Management	\$ 300,000	Issues: Personnel Issues Bases: Race, national origin

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	Equal Employment Opportunity Commission	Food and Nutrition Service	\$300,000	Issues: Personnel issues Bases: Race, age
Employment Discrimination	Equal Employment Opportunity Commission	Food Safety and Inspection Service	\$300,000	Issues: Failure to reasonably accommodate; performance rating; removal from position Bases: Sex, race, disability, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Food Safety and Inspection Service	UNKNOWN	Issues: Personnel issues Bases: Sex, disability, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Food Safety and Inspection Service	\$40,000	Issues: Failure to promote, harassment, personnel issues Bases: Sex, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Food Safety and Inspection Service	\$12,000	Issues: Performance evaluation Bases: Reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Food Safety and Inspection Service	\$300,000	Issues: Personnel issues Bases: Race, national origin, religion, color, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Foreign Agricultural Service	\$300,000	Issues: Personnel issues Bases: Race, sex, color, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Foreign Agricultural Service	\$300,000	Issue: Hostile Work Environment Basis: Sex
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	\$20,000	Issues: Threat to terminate employment Bases: Sex, marital status, reprisal

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	\$ 1,000,000	Issues: Non-selections; non-promotion; retaliation, hostile work environment Bases: National origin
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	\$ 4,000,000	Issue: Termination Basis: Race
Employment Discrimination	Equal Employment Opportunity Commission	Forest Service	\$ 500,000	Issues: Non-promotion; non-selection; failure to train; failure to assign to details Bases: Sex, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Natural Resources Conservation Service	\$ 550,000	Issue: Pay disparity; reassignment Bases: Race, sex
Employment Discrimination	Equal Employment Opportunity Commission	Natural Resources Conservation Service	\$ 300,000	Issues: Denied promotion; touched inappropriately; failure to permit telework; placement on AWOL, harassment Bases: Race, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	National Institute of Food and Agriculture	\$ 150,000	Issues: Non-selection; personnel issues Bases: Age, race, color, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	National Institute of Food and Agriculture	\$ 300,000	Issue: Non-Selection Bases: Race, sex
Employment Discrimination	Equal Employment Opportunity Commission	Rural Development	\$ 300,000	Issue: Non-Selection Bases: Race, reprisal
Employment Discrimination	Equal Employment Opportunity Commission	Rural Development	\$ 25,000	Issue: Personnel issues Bases: Race, sex

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	U.S. District Court	Natural Resources Conservation Service	\$ 100,000	Issue: Personnel Issues Bases: Race, sex
Employment Discrimination	U.S. District Court	Forest Service	\$ 126,000	Issues: Hostile work environment Bases: Race, sex, reprisal
Employment Discrimination	U.S. District Court	Food Safety and Inspection Service	\$ 300,000	Issues: Constructive demotion Bases: Race, reprisal
Employment Discrimination	U.S. District Court	Rural Development	\$ 300,000	Issue: Harassment, denial of reasonable accommodation Bases: Nationality, disability
Employment Discrimination	U.S. District Court	Food Safety and Inspection Service	\$ 345,000	Issues: Failure to promote, denial of opportunities to advance career Bases: Race, color, disability
Employment Discrimination	U.S. District Court	Natural Resources Conservation Service	\$ 350,000	Issue: Transfer Bases: Race, national origin, color, reprisal
Employment Discrimination	U.S. District Court	Agricultural Research Service	\$ 500,000	Denial of Reasonable Accommodation
Employment Discrimination	U.S. District Court	Departmental Management	\$ 800,000	Issues: Harassment, removal from SES Bases: Race, gender, age, reprisal
Employment Discrimination	U.S. District Court	Forest Service	\$ 9,042,000	Issue: Failure to provide reasonable accommodation Bases: Race, disability
Employment Discrimination	Court of Appeals	Food Safety and Inspection Service	\$ 200,000	Issues: Termination Bases: Disability, reprisal
Employment Discrimination	Court of Appeals	Rural Development	\$ 1,100,000	Issue: Failure to reasonably accommodate; Personnel Issues Bases: Color, race, age, disability, reprisal
Employment Discrimination	USDA Office of Adjudication	Food Safety and Inspection Service	\$ 300,000	Issues: Failure to reasonably accommodate Bases: Disability

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Employment Discrimination	USDA Office of Adjudication	Forest Service	\$ 214,305	Issues: Personnel Issues Bases: Race, disability, age, reprisal
Employment Discrimination	USDA Office of Adjudication	Forest Service	\$ 281,308	Issue: Termination Basis: Age
Employment Discrimination	USDA Office of Adjudication	Forest Service	\$ 504,000	Issue: Suspension, harassment Basis: Disability
Employment Discrimination	USDA Office of Adjudication	Forest Service	\$ 113,000	Issue: Termination Basis: Age
Employment Discrimination	U.S. District Court	Agricultural Marketing Service	\$ 300,000	Issues: Sexual harassment
Employment Discrimination	Court of Appeals	Forest Service		Issues: Allegations of discrimination based on gender and retaliation for Non-selection.
Erik Navickas et al. v. USFS 10-3004	U.S. District Court	Forest Service		Challenge to Ashland Resiliency Project (watershed protection), Rogue-Siskiyou National Forest. District Court granted the Forest Service's cross-motion for Summary Judgment in full. Currently in appeal period.
Estes v. Vilsack	U.S. District Court	Animal and Plant Health Inspection Service	back pay and benefits	Employment discrimination.
Eugene Dayton Pringle, Jr. / State of Oregon et al. 13-309-SI		Forest Service		In March of 2013, Plaintiff Pringle filed a complaint seeking injunctive relief and monetary damages for alleged taking of mineral deposits valued at \$185,000,000. The United States Attorney General and U.S. Attorney's Office have yet to be served.
European Cigarette Imports, Inc.	TBD	Commodity Credit Corporation	\$ 721,356	Tobacco Buyout Assessment
Exxon Rayyan v. USA	U.S. District Court	Food and Nutrition Service		Judicial Review of FNS SNAP Disqualification.
F&U Zakir, LLC d/b/a Bill's Quik Stop v. USA	U.S. District Court	Food and Nutrition Service		SNAP Disqualification

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
F.I.M. Corp. v. Salazar, et al.	U.S. District Court	Animal and Plant Health Inspection Service		Plaintiffs allege that APHIS violated the Endangered Species Act by failing to implement adequate predator control measures to protect the endangered Sierra Nevada Bighorn Sheep.
Fair Labor Standards Act case	Court of Federal Claims	Forest Service	\$ 3,000,000	Violation of FLSA re misclassification resulting in underpayment for overtime.
Fair Labor Standards Act case	Court of Federal Claims	Forest Service	\$ 490,000	Violation of FLSA by multiple Federal departments.
Faisal Ahmed Lashari dba Medfield Food Store v. USA	U.S. District Court	Food and Nutrition Service		Judicial Review of FNS Imposed SNAP Disqualification.
Falcon Distributor, Inc.	TBD	Commodity Credit Corporation	\$ 596,064	Tobacco Buyout Assessment
Farm Bureau Town and Country Insurance Co. v. Clark	U.S. District Court	Rural Development	\$ 110,000	Insurance Claim for RHS property.
Farrell, Tim v. USDA/RD 12-909	Court of Federal Claims	Rural Development	\$ 200,000.00	Plaintiffs seek damages under a warranty theory that their builder's breach of contract should be remedied by RD. The Government is preparing its answer.
Federal Forest Resource Coalition v. Vilsack	Other	Forest Service	\$0	Representatives of NFS user groups claim the 2012 NFS Land Management Planning Rule was issued in violation of the Organic Administration Act, Multiple-Use Sustained-Yield Act, NFMA, and APA, and seek to have its use enjoined.
Ferguson and Jones v. U.S.	U.S. District Court	Food Safety and Inspection Service	\$ 150,000	FTCA
Ferreira, Frank & Eleonora dba Ferreira Dairy	U.S. District Court	Farm Service Agency	\$261,162.81	Active Chapter 12 Case
Fish & Chicken Land, Inc. v. USDA	U.S. District Court	Food and Nutrition Service		FNS retailer disqualification.
Fragosa v. Moore	U.S. District Court	Forest Service	N/A	Challenge to recreation fees charged for areas under the Federal Lands Recreation Enhancement Act in the four southern California national forests.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Freedom From Religion Foundation v. Weber	U.S. District Court	Forest Service		Challenges authorization of Jesus Christ statue on NF as violation of Establishment Clause of the First Amendment U. S. Constitution
Friend of the Wild Swan et al. v. Vicki Christiansen	U.S. District Court	Forest Service		Challenge to the Soldier Addition II project on the Flathead National Forest. NFMA, ESA, NEPA and APA.
Friends of Tahoe Forest Access v. USDA	U.S. District Court	Forest Service	N/A	Challenge to the travel management decision on the Tahoe National Forest.
Friends of the Clearwater et al. v. U.S. Department of Agriculture	U.S. District Court	Forest Service		Clean Water Act Citizens Suit alleging discharge violations from the Fenn Ranger Station - Clearwater National Forest.
Friends of the Wild Swan v. Austin	U.S. District Court	Forest Service		NEPA, NFMA, ESA (lynx, grizzly bear) challenge to Colt Summit Restoration and Fuels Reduction Project
Friends of the Wild Swan v. Weber	U.S. District Court	Forest Service		NEPA, NFMA, ESA (lynx) challenge to Spotted Bear River Project, Flathead NF.
G4S Technology, LLC v U.S.	Court of Federal Claims	Rural Development	\$ 10,300,000	Vendor of broadband borrower asserting third party beneficiary claim under RUS loan contract
Gabriel Farms, Inc. / USDA - Risk Management Agency, EAJA Case No. 2012W000128	U.S. District Court	Risk Management Agency		Gabriel Farms brings an action in Federal District Court seeking enforcement of the NAD Director's December 2012 decision. This is in conjunction with its current administrative appeal of RMA's new decision which was the agency's response to the Director's 2012 decision
Galka v. Laura Grover et al.	Court of Appeals	Rural Development		Challenge to Loan Servicing
Galka v. USDA	U.S. District Court	Rural Development		Federalism challenge to foreclosure.
George and Natalie Swanson v. USA	U.S. District Court	FS	\$10,000.00+	Complaint alleges that F5 restricted access to plaintiffs 5 mining claims & a millsite on Cleveland NF. Seeks monetary damages
George P. Reitz, Karen K. Reitz v. USDA, FSA	U.S. District Court	Farm Service Agency	\$ 500,000	Protracted Farm Foreclosure on remand from District Court
Gila River Adjudication	U.S. District Court			
Global Tobacco Corporation	TBD	Commodity Credit Corporation	\$ 966,183	Tobacco Buyout Assessment

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
GLW Ventures, Inc. v. USDA 12-5140	U.S. District Court	Forest Service		Challenge to Columbia River National Scenic Area easement restrictions. Parties are in settlement discussions.
Grand Canyon Trust v. Williams	U.S. District Court	Forest Service		NEPA/NFMA/NHPA/Organic Act/APA challenge to operation of Canyon Uranium
Great Yellowstone Coalition v USFS	U.S. District Court	Forest Service	n/a	Challenge to decision to construct motorized trail.
Greenpeace v. Cole	U.S. District Court	Forest Service		Environmental groups challenged the approval of four timber sales on the Tongass NF, claiming the Forest Service violated NEPA by failing to consider, disclose, and respond to opposing views regarding the reliability of a deer-habitat model. On remand for additional NEPA analysis.
Gregory Yount v. Salazar	U.S. District Court	Forest Service		NEPA challenge to Northern Arizona Withdrawal
Guadalupe Gomez v U.S.	U.S. District Court	Animal and Plant Health Inspection Service	\$12,000,000	FTCA - Auto Accident
Gulf Group Inc. v. U.S.	Court of Federal Claims	Natural Resources Conservation Service	\$ 900,000	Complaint alleges NRCS is liable for changes made to wetland restoration project made by contractor which resulted in defective specifications
H&B Trading Company	TBD	Commodity Credit Corporation	\$ 166,587	Tobacco Buyout Assessment
Hagans v. U.S.			\$ 6,000,000	FTCA - Wrongful Death
Hage v. U.S.	Court of Appeals	Forest Service	\$14,242, 542	Takings claim against U.S. for water rights, ditch rights and range improvements. Petition for cert pending.
Hansen et al. v. USDA	Court of Appeals			Plaintiff alleges unlawful denial of their application for easement under the ditch Bill Act (43 USC Section 1761). Denial of the application was without foundation, was arbitrary and capricious, and unlawful.
Hanson Colorado Farms Partnership v. Vilsack	U.S. District Court	Risk Management Agency	\$92, 721 attorneys fees	Dispute relating to farmer's eligibility for crop insurance.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Harley Allen, et al. v. USFS 08-151	U.S. District Court	Forest Service		Challenge by grazing permittees to Biological Opinion, applicant status, multiple grazing allotments, Malheur National Forest. Plaintiffs' motion for EAJA fees has been briefed and parties are awaiting the court's decision.
Harreld, Paul J.	Bankruptcy Court	Farm Service Agency		
Harry A. Larson, Lynda Larson, L & H Investments, v. U.S.	U.S. District Court	Natural Resources Conservation Service		na Easement owner seeks damages related to flooding
Hawaii Intergenerational Community Development Assoc.	State Court	Rural Development	\$1,000.00	Judicial foreclosure matter
Haycart Custom Farming, Inc.	Bankruptcy Court	Farm Service Agency	\$106,123.00	Active Chapter 12 Case
Hells Canyon Preservation Council v. Connaughton 11-23	U.S. District Court	Forest Service		Challenge to grazing allotments: categorical exclusions on Malheur, Umatilla, Wallows-Whitman National Forests. Government will not appeal its adverse decision on the 2005 grazing CE. Parties discussing EAJA fees.
Hells Canyon Preservation v. Haines 05-1057	U.S. District Court	Forest Service		The court concluded the Forest Service violated the Clean Water Act by not requiring a 401 certification from the State of Oregon prior to approving the mining plan of operation in the Burnt River Watershed. The Court enjoined the agency from allowing mineral operations and to date the injunction remains.
Herden et al. v US.	Court of Appeals	Natural Resources Conservation Service		Tort Claim related to EQIP Program
Hermosillo, Antonio and Silvia	Bankruptcy Court	Farm Service Agency	\$75,237.16	Borrower discharged on 7/5/2011 and final decree on 12/28/2012 for his Chapter 7
High Sierra Hikers Association v. Bradley Powell	U.S. District Court	FS		N/A Challenge (NEPA) Wilderness Act) to commercial pack-stock authorizations on Inyo & Sierra NFs
Holland v. Krogstad	U.S. District Court	Forest Service		Bivens claim against Forest Service Law Enforcement Officers, alleging violation of constitutional rights during arrest.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Hope Knaust and Stanley Knaust v. Parham, et al.	U.S. District Court	Animal and Plant Health Inspection Service	Unknown	Lawsuit for money damages against USDA employees in their individual capacity relating to the confiscation of animals.
Hoyt, Robert v. Benham, et al.	Slate Court			Claim of prescriptive easement over federal land dismissed as time barred. Notice of Appeal filed 3/12/12. Briefing suspended 3/30/12.
Humane Society of the United States v. Vilsack	U.S. District Court	Agricultural Marketing Service		Challenge regarding pork checkoff program
Idaho Conservation League v. Farnsworth	U.S. District Court	Forest Service		HFRA and APA challenge to Fern Hardy Resource Area Project
Idaho Conservation League, IRU & GEAS v USFS	U.S. District Court	Forest Service	n/a	Authorization mineral exploration project enjoined.
Idaho Rivers United v. USFS	U.S. District Court	Forest Service		Challenge to FS determination that it lacks jurisdiction or authority over the transportation of "mega-loads" (Kearl Module Transport Project) on Highway 12.
Idaho Snowmobile Association et al. v. U.S. Forest Service	U.S. District Court	Forest Service		Challenge to the Travel Management Plan for the Clearwater National Forest. NEPA, NFMA, APA
Idaho Wool Growers v. FS	District Court	Forest Service		Issues: Alleged violations of NEPA, NFMA, APA, and FACA for the FS decision finding allotments unsuitable for domestic sheep grazing

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
In re Tronox Incorporated et. al. (Debtors) Tronox Incorporated, Tronox Worldwide LLC f/k/a Kerr-McGee Chemical Worldwide LLC, Plaintiffs v. Anadarko Petroleum Corporation and Kerr-McGee Corporation Defendants The United States of America Plaintiff-Intervenor v. Tronox et. al. Chapter 11 No. 09-10156 - Jointly administered Adversary Proceeding No. 091198	Bankruptcy Court			This is a large bankruptcy case filed by Tronox LLC, a corporate spinoff of Kerr-McGee Corp. on January 12, 2009. In its various proofs of claim, the United States alleges Tronox was formed as part of an effort by Kerr-McGee to defraud creditors through a complex reorganization plan. The bankruptcy case involves dozens of individual environmental sites across the country, with the environmental claims of the United States alone exceeding two billion dollars. USDA OGC is representing the Forest Service in the case and pursuing environmental claims for four mine sites once operated by Kerr-McGee, specifically the Riley Pass Mine Site in South Dakota, the White King/Lucky Lass Mine in Oregon, the Juniper Mine in California, and the Mansfield Canyon Watershed Mine Site in Arizona. The case also includes a multi-billion dollar fraud claim against Anadarko Petroleum, another corporate successor to Kerr-McGee. The Forest Service's claims against Kerr-McGee and its various corporate successors equal about \$70 million in past and future cleanup costs. Millions of pages of written and electronic discovery have been exchanged by the parties, but the United States' litigation costs are unknown. The case was tried before the bankruptcy court in the summer of 2012, and we are awaiting a decision.
In re: American Growers Insurance Company (In Liquidation)	U.S. District Court	Risk Management Agency	20-40 million	RMA seeks to recover amounts it put into Company during its liquidation
In Re: Community Memorial Hospital dba Cheboygan Memorial Hospital	Bankruptcy Court	Rural Development		Loan Servicing for Bankrupt Hospital
In re: MPC Computers, LLC, et al., Case No. 0812667	U.S. District Court	Forest Service	5 1,933	
In the Matter of Rural Community Insurance Services, Inc.	Civilian Board of Contract Appeals	Risk Management Agency	2.5 million	Company challenges RMA findings on indemnity and premium.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Ins Marquez v. U.S.	U.S. District Court	Animal and Plant Health Inspection Service	\$ 383,814	FTCA - Auto Accident
J.S.C. Land Company, LLC v. Rick Thompson et al.	U.S. District Court	Natural Resources Conservation Service		Quiet title action by landowner with WRP easement
Jacob Ryan (CBD/USFS)	U.S. District Court			This case pertains to the Jacob Ryan vegetation management project involving logging in goshawk habitat on the Kaibab National Forest.
Jagers v. USDA	Court of Appeals	Risk Management Agency	\$ 7,000,000	Crop insurance dispute.
James S. Grill v. Tom Quinn, et al.	U.S. District Court	FS	N/A	Plaintiff challenges the Tahoe NF decision to change the terms and conditions of Private Road Special-Use permit No. 6516-01
Jarita Mesa Livestock Grazing, et al. v. USFS	U.S. District Court	Forest Service		Challenge to FS limitation on animals allowed on grazing permits; 1st Amendment <i>Bivens</i> claim against District Ranger.
Jeff Davis v. Vilsack, D OR 12-01974-PK		Rural Development		Plaintiff Davis alleges violations of the Rehabilitation Act and retaliation after filing an EEO claim. Parties are engaging in discovery.
Jessup v. Continental Motors, Inc. et al CCP, Philadelphia Co.	U.S. District Court	Forest Service	Several million	Wrongful Death (not FTCA)
Jesus H. Perez and Rogelio Perez dba Double K I's Mart v. USDA-FNS	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Jim Meram & Maysoon Meram v. U.S.	U.S. District Court	Forest Service	Unknown	FTCA - Wrongful Death (Teenage son fell off cliff face ending in death)
Joan Kaminsky v. U.S.	U.S. District Court	Forest Service	\$5,000,000	FTCA - Auto Accident
John Van Curen (Trustee) v. FCIC and RMA	Court of Appeals	Risk Management Agency	\$4,826,274.00 +	Mr. Van Curen alleges that on behalf of Hat Farming that RMA denied his client's crop insurance

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Johnson and Johnson vs. CCC, USDA et al.	U.S. District Court	Natural Resources Conservation Service		Adjacent landowners claim right to use area under WRP easement
Johnson v. Vilsack	U.S. District Court	Foreign Agricultural Service	UNKNOWN	Loan Servicing and program discrimination claim
Joseph Michael Anderson - Smokin' Joes	TBD	Commodity Credit Corporation	\$ 899,781	Tobacco Buyout Assessment
Joseph Musser v. U.S.	U.S. District Court	Food Safety and Inspection Service	Unspecified	FTCA - Auto Accident
Judite, Maria and Antonio Silva	Bankruptcy Court	Farm Service Agency		
Karuk Tribe v. USFS, et al. -04-cv-04275 SBA	U.S. District Court	Forest Service		NEPA & NFMA claims
Karuk Tribe v. USFS, et al. -10-cv-2039-WHA	U.S. District Court	Forest Service		NEPA claim re: Orleans Community Fuels Reduction Project. Reversed 6/1/2012 (681 F.3d 1006).
Kathleen Opliger v. Vilsack	U.S. District Court	Forest Service		Plaintiff alleges discrimination based on gender and retaliation. Pending
Katie John v. United States (three consolidated cases)	Court of Appeals	Forest Service		This appeal presents the issue whether the Agriculture and Interior Secretaries' reasonably interpreted statutes and the doctrine of federal reserved water rights in their regulations declaring reserved waters for purposes of subsistence jurisdiction in Alaska.
Kebede, Tsedalu v. USDA/FNS 12-2251	U.S. District Court	Food and Nutrition Service		Plaintiff challenges FNS's decision to permanently disqualify its grocery store from SNAP. Plaintiff has yet to serve the U.S. Attorney's office or Attorney General's office.
Kelvin Davis v. U.S.	U.S. District Court	Forest Service (FS)	\$ 5,000,882	FTCA - Auto Accident (multi-vehicle)
Kimball White Beardmore, Baldridge, Badley v. U.S.	U.S. District Court	Forest Service		FTCA - Forest Fire
King Cole Foods, Inc., and Salam Manni v. United States of America, et. al.	U.S. District Court	Food and Nutrition Service		SNAP Disqualification

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Kittitas Fire District #8 v. USFS	U.S. District Court	Forest Service		Challenge to winter road closing/fire access. Parties settled. Case Closed/DELETE
Klamath Siskiyou Wildlands Center v. Grantham	U.S. District Court	Forest Service	N/A: Injunctive relief EAJA Fees only	Challenge to re-authorization of livestock grazing and associated activities on (3) allotments on the Klamath National Forest under NEPA and NFMA
Klamath Siskiyou Wildlands Center v. Russell Hays	U.S. District Court	Forest Service	N/A	NEPA, NFMA and mining law challenge to Klamath National Forest. Approval of mining plan operations
Kollman v. Vilsack	U.S. District Court	Animal and Plant Health Inspection Service		Challenge involving license application under the Animal Welfare Act
Koshman v. Vilsack	USDC, EDCA	NRCS	N/A: Injunctive relief	Plaintiff claims NRCS erroneously determined that he converted a wetland for agricultural purposes within the meaning of the Food Security Act. CLO
Kristin Lynn Kees v. U.S.	U.S. District Court	Forest Service	\$ 2,000,000	FTCA - Auto-accident
Kyle Voreis v. U.S.	U.S. District Court	Forest Service	\$2,009,000	FTCA - Auto Accident
Lakeland Fine Foods et al. v. USDA et al.	U.S. District Court	Food and Nutrition Service		Challenge to FNS determination of trafficking.
Larry Barner v. US	U.S. District Court	Food Safety and Inspection Service		Plaintiff alleges retaliation based on prior disability & EEO complaints. Acting pro se & did not specify a statutory basis for his claims
Laura Sheldon v. Thomas Vilsack, Secretary	Sixth Circuit Court of Appeals	Rural Development		Alleges APA violation by failing to implement provisions that would provide moratorium relief, refinancing, servicing, etc.
League of Wilderness Defenders v. Connaughton 12-2271	U.S. District Court	Forest Service		Plaintiffs challenge the Forest Service's snow basin vegetation management project involving the use of commercial and non-commercial harvest, and prescribed burns to restore portions of the National Forest to historic conditions. Plaintiffs have filed a motion for preliminary injunction.
League of Wilderness Defenders-Blue Mountain Biodiversity Project et al. v. USFS 10-1397	Court of Appeals	Forest Service		Challenge to invasive plants treatment on Wallows-Whitman National Forest. Plaintiffs have appealed a portion of the court's initial ruling favorable to the Government.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Lenado Twelve LLC	U.S. District Court	Forest Service		Title dispute relating to road easement.
Leonardo, Roberto F.	Bankruptcy Court	Farm Service Agency	\$87,021.79	Borrower filed Chapter 7 on 11/26/2012
Lewis, Phillip & Marjorie	U.S. District Court	Farm Service Agency	\$455,076.50	Active Chapter 7 Case
Una Pecina o/b/o Jacqueline Pecina v. U.S.	U.S. District Court	Forest Service (FS)	\$ 187,261	FTCA - Auto Accident
Linda & Darin Griffith v. U.S.	U.S. District Court	Forest Service (FS)	\$ 1,040,097	FTCA - Auto Accident
Lionsgate Center v. USDA	U.S. District Court	Animal and Plant Health Inspection Service		Challenge involving denial of license under the Animal Welfare Act
Livia Ujhelyi v. Vilsack	U.S. District Court	FSIS	Monetary damages-amt not yet specified	Title VII case alleging retaliation for adverse employment actions
Lompa, Roy	U.S. District Court	Farm Service Agency	\$8,909,229.73	Farm borrowers are in Chapter 11 Bankruptcy
Loren Stout et al. v. USFS D9-152	U.S. District Court	Forest Service		Challenge to wild horse management plan, Malheur National Forest. Settlement agreement is awaiting approval by DOJ.
Lori Gomez v. U.S.	U.S. District Court	Forest Service (FS)		FTCA - Auto Accident (motorcycle)
Lott Johnson v. Vilsack	U.S. District Court	Farm Service Agency		Loan Discrimination
Luther and Morissette v. U.S.	U.S. District Court	Forest Service	\$650,766	FTCA - Wild Fire
Manassero, Stephen James, Felicia and Cecilia	Bankruptcy Court	Farm Service Agency		Debt settled by cancellation on 9/14/2011 due to bankruptcy discharge
Manion & Farm v. FCIC	U.S. District Court	Risk Management Agency	\$ 729,400	Plaintiff challenges agency denial of claim due to determination of failure to use good farming practices
Mansi (dba Olive Cafe'), et al, v. United States	U.S. District Court	Food and Nutrition Service		Wrongful permanent disqualification from SNAP.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Maple Drive Farms Family Limited Partnership and Nicholas H. Smith v. Tom Vilsack	Court of Appeals	Natural Resources Conservation Service	\$ 120,000	Challenge to termination from Program
Martin Breaker v. USA	U.S. District Court	Forest Service		Plaintiff brought suit alleging his right to access his property in the Boundary Cance Area Wilderness by motorized means pursuant to Wilderness Act
Mary Alice Homkes v. Thomas Vilsack, Secretary	U.S. District Court	Rural Development		Challenge to Loan Servicing
Mary Hernandez v. Thomas Vilsack	U.S. District Court	Rural Development		Challenge to Loan Servicing
Matt Matthews v. Thomas J. Vilsack	U.S. District Court	Farm Service Agency	na	Record Review on CSP Contract Termination
McMaster v. United States	Court of Appeals	Forest Service		Entitlement to title of mining claim's surface estate and structures on claim
Megan Lewis-Whitman v. Continental Motors, Inc. et al v. USDA	U.S. District Court	Forest Service	Several million	Wrongful Death (not FTCA)
Mehrab #1 Corp. v. USA	U.S. District Court	Food and Nutrition Service		Challenge to FNS disqualification of SNAP retailer.
Melancon, et al. v. Great Southern Dredging, Inc., et al., (E.D. La.)	U.S. District Court	Natural Resources Conservation Service		Tort Claim
Melinda and Richard Armstrong v. U.S.	U.S. District Court	Forest Service	\$ 10,000,000	FTCA - Personal Injury (Camp/fallen tree)
Melvin Champagne and Ira Landry v. Steven Conger, Progressive Paloverde Ins. Co.	State Court	Food Safety and Inspection Service	\$ 5,000,882	
Michael R. Jones v. Vilsack	U.S. District Court	Rural Development	Attorney Fees - Undetermined	Plaintiff alleges discrimination and harassment based on disability, race, gender, age and reprisal based on calculation of plaintiff's pay
Michael Spain v. U.S.	U.S. District Court	Animal and Plant Health Inspection Service	Attorney Fees - Undetermined	FTCA - Personal Injury (Campground)

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Minard Run v. USFS	U.S. District Court	Food and Nutrition Service	Attorney Fees - Undetermined	Plaintiffs challenge the agency's authority to regulate their development of privately-owned oil and gas beneath the National Forest.
Monica Sapp v. Vilsack	U.S. District Court	Forest Service	Attorney Fees - Undetermined	Employment discrimination: Disability
Mora, Jesus and Melania	Bankruptcy Court	Agricultural Marketing Service	Attorney Fees - Undetermined	Liquidation of farm equipment
Moreno v. U.S.	U.S. District Court	Departmental Management	\$850,000	FTCA - accident on FS property
Mountain West Helicopters and Trans Aero Limited, B-408150	Government Accountability Office	Forest Service	N/A	GAO Bid Protest
Mountain West Helicopters v. U.S.	U.S. District Court	Food and Nutrition Service (FNS)	Attorney Fees - Undetermined	FOIA
Mr. Grocer, LLC v. USA	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Multifamily Housing Prepayment Litigation	Court of Federal Claims	Rural Development	over \$60 million	Approximately 150 cases involving breach of contract and takings claims due to ELIPHA's prepayment restrictions on section 515 housing loans
Nasunin v. USDA	U.S. District Court	Food and Nutrition Service		The District Court upheld the plaintiff's permanent disqualification from being an authorized retailer of the Supplemental Nutrition Assistance Program based on the agency's finding that the plaintiff had engaged in trafficking SNAP benefits. The case is presently in the appeal period.
National Mining Association v. Salazar	U.S. District Court	Forest Service		Constitutional/NEPA/FLPMA challenge to Northern Arizona Withdrawal
National Ski Areas Association, Inc. v. Forest Service, No. 12-CV-00046-JLK	U.S. District Court	Forest Service	N/A	Challenge to Forest Service ski area water rights clause. Court ruled that directive requires public notice and comment under APA and NFMA.
Native Ecosystems Council et al. v. Krueger	U.S. District Court	Forest Service		Challenge to Trapper Creek Vegetation Management Project - Beaverhead-Deerlodge NF, NEOPA, NFMA, APA

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Native Ecosystems v. Christiansen	U.S. District Court	Forest Service		NEPA, NFMA, ESA (grizzly bear, lynx) challenge to Fleeceer Project, Beaverhead-Deerlodge NF
Necie Randolph v. Vilsack	U.S. District Court	Forest Service		Employment discrimination: Age & Employment Act
Nolan Salix et al. v. United States Forest Service	U.S. District Court	Forest Service		Challenge to the Northern Rockies Lynx Amendment. ESA
Northern Natural Gas v. Brown Bros., et al	U.S. District Court	Forest Service Agency		Condemnation action on land where FSA has a lien
Northwest Coalition Against Pesticides v. Johann	U.S. District Court	Forest Service		Referred to DOI to modify pesticides injunction for invasives treatment program Region-wide. Consent decree approved. Case Closed/DELETE
Northwest Mining Association v. Salazar	U.S. District Court	Forest Service		Constitutional/NEPA/NFMA/FLPMA challenge to Northern Arizona Withdrawal
Nu-West Mining Inc. v. U.S. Idaho 09-431	U.S. District Court	Forest Service	Estimated of cost of Litigation to date is \$365,014	In September 2009 Nu-West filed a complaint seeking to recover its past and future CERCLA response costs from the United States. The litigation involves the South Maybe Canyon, North Maybe, Champ, and Mt. Fuel mines. DOJ conceded that the U.S. is an owner of federal land at the sites for CERCLA liability purposes. The court found that the U.S. is also a CERCLA operator and arranger based on federal agency review of and input to mine plans and monitoring for leaseholder compliance with the lease, mine plans, laws, and regulations. Settlement in principal reached in January 2012. Court entered a judgment approving a consent decree on March 5, 2013 where Nu-West will pay 67% and US will pay 33% of the response costs associated with the sites. Total costs are speculative at this time but will likely exceed \$100 million.
Oberdorfer v. Jewkes Or.D. 11-6209, 9th Cir. 12-36082	Court of Appeals	Forest Service		Plaintiff appeals district court decision dismissing his Bivens action against a district ranger and law enforcement officer, and granting the U.S.'s summary judgment on plaintiff's NEPA and FLPMA claims. Plaintiff's brief is due May 15, 2013.
Oden v. Vilsack	U.S. District Court	Forest Service Agency		Plaintiffs allege discrimination in program loan servicing from FSA

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Ornni Pinnacle, LLC v. St. Bernard Parish Government	Civilian Board of Contract Appeals	Natural Resources Conservation Service	\$4 million	Contract claim for modification.
Oregon Natural Desert Association v. Sabo	U.S. District Court	Forest Service		Challenge to ongoing grazing on Antelope Allotment, Fremont-Winema National Forest, including Oregon spotted frog and wetlands issues. UPDATE: District Court issued adverse decision against the Forest Service. No appeal recommended. Case closed/DELETE.
Oregon Natural Desert Association v. Tidwell 07-1871	U.S. District Court	Forest Service	\$ 948,000	Challenge to Biological Opinion and authorization for multiple grazing allotments, Malheur National Forest; also on appeal by intervenors to 9th Circuit; interim fee request \$948,000+ pending. UPDATE: New 5-year Biological Opinion for specific grazing allotments issued. Motion for attorney fees awaiting court decision. LEAD CASE and consolidated with Harley Allen v. NMFS 08-151 ONDA v. USFS 03-318
Oregon Natural Desert Association v. USFS 03-213	U.S. District Court	Forest Service		Challenge to grazing in Wild and Scenic River corridor allotments, Malheur National Forest. UPDATE: Case in settlement discussions.
Oregon Natural Desert Association v. USFS 03-318	U.S. District Court	Forest Service		Challenge to grazing in 2 allotments, Malheur National Forest. UPDATE: consolidated with LEAD CASE ONDA v. Tidwell 07-1871
Oregon Natural Desert Association v. USFS 04-3096	U.S. District Court	Forest Service		Challenge to 11 grazing allotments on Fremont-Winema National Forest. UPDATE: Case remains pending before District Court.
Oregon Wild v. Connaughton 12-0224	U.S. District Court	Forest Service		Plaintiffs challenge the Rogue River-Siskiyou National Forest Supervisor's decision to authorize the Mt. Ashland Ski Area Expansion Project, alleging NEPA and NFMA violations. This lawsuit follows after the district court earlier denied plaintiff's motion to file a supplemental complaint and deficiencies in the 2011 FEIS. Briefing and hearing schedule have been set.
Oregon Wild, Sierra Club & Ctr for Biological Diversity v. Kent Connaughton & USFS	U.S. District Court	Forest Service		This case challenged the FS's approval of expansion of Mt. Ashland Ski Area. FS moved and was granted to list the injunction. Plaintiffs appealed. Parties are briefing.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Organized Village of Kake v. USDA	Court of Appeals	Forest Service		Environmental groups filed a complaint to set aside the 2003 rule exempting the Tongass NF from the 2001 Roadless Rule. The State of Alaska has appealed the district court's reinstatement of the roadless rule on the Tongass.
Ortiz, Manuel, Mary and Fatima	Bankruptcy Court	Farm Service Agency	\$195,000	Active Chapter 7 Case
Ouachita Watch League v. Judith Henry et al.	U.S. District Court	Forest Service		Suit to prevent drilling for gas under Greer Lake and Ozark National Forest.
Ozark Society v. USFS	U.S. District Court	Forest Service		Suit challenging FS decision relating to natural gas leasing, exploration and development in the Ozark National Forest.
Pacific Log & Lumber v. USDA, No. 13-25C	Court of Federal Claims	Forest Service & Rural Development	\$9 million	Logging company filed timber contract claim against the United States; United States counterclaimed for the amount of money the company owes the United States due to the company's default on two Rural Development Business and Industry Guaranteed Loans
Pacific Rivers Council v. USFS	U.S. District Court	FS	N/A	Environmental challenge (NEPA) to 2004 Sierra Nevada Framework
Pantoja, Trinidad and Roxanna	Bankruptcy Court	Farm Service Agency	\$27,756.25	Chapter 13 multiple filers
Pappas Telecast	Bankruptcy Court	Forest Service	\$20,074.50	Chapter 11 bankruptcy
Patel Govindbhai d/b/a County Line Quick Shop v. United States of America, State of Illinois	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Patrick Bell v. U.S.	U.S. District Court	Forest Service	\$1,000,000	FTCA - Auto Accident
Paul Singh, AKA Rural Community	Civilian Board of Contract Appeals	Risk Management Agency	\$70,211.00	Crop Insurance claim
PDR Grocery, Inc. v. United States	U.S. District Court	Food and Nutrition Service		Grocery store disqualified under SNAP Program.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Peratrovich v. United States	U.S. District Court	Forest Service		This is a long-standing case that seeks to allow the customary trade of herring roe harvested from marine waters within the boundaries of the Tongass NF. The Forest Service is initiating rulemaking for the purpose of identifying marine waters within the Tongass over submerged lands that remain in federal ownership.
Perez, Arturo Rangel	Bankruptcy Court	Farm Service Agency	\$74,806.38	Chapter 7 bankruptcy filed on 4/5/2012 in New Mexico
Perez, Manuel & Mary	Bankruptcy Court	Farm Service Agency		
Personnel Case	Merit Systems Protection Board	Food and Nutrition Service	\$300,000	Demotion
Personnel Case	Merit Systems Protection Board	Food Safety and Inspection Service	\$ 150,000	Removal from federal service
Personnel Case	Merit Systems Protection Board	Forest Service	\$ 300,000	Demotion
Personnel Case	Merit Systems Protection Board	Natural Resources Conservation Service	\$ 500,000	Removal from SES
Peter Bartlett et al., v. USDA; Thomas J. Vilsack, et al.	U.S. District Court	Farm Service Agency	\$ +/- \$2 million	Challenge FSA's decision and payment rates established under the SURE program.
Peter Clark v. U.S.	U.S. District Court	Forest Service (FS)	\$ 850,000	FTCA - Personal Injury (Snow Play Area)
Petro-Hunt v. U.S.	Court of Federal Claims	Forest Service	\$ 6,000,000	Mineral Servitudes merger with surface ownership alleged to be a federal taking.
Pew Forest Prodecuts	Bankruptcy Court	Forest Service	\$358,609.45	Summit Bear/Silver/Jenkins Timber Sales
Philip Morris USA Inc. v. Vilsack	Court of Appeals	Farm Service Agency	\$ 900,000,000	Tobacco Buyout Assessment
Phillips et al. v. Dugas	State Court	Forest Service		Quiet Title Action
Phoenix Environmental Design, B-408197	Government Accountability Office	Agricultural Research Service		N/A GAO Bid Protest

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Physicians Committee for Responsible Medicine (PCRM) v. USDA	U.S. District Court	Forest Service (FS)	Attorney Fees - Undetermined	FOIA
Poker Tobacco Corporation	TBD	Commodity Credit Corporation	\$ 1,406,994	Tobacco Buyout Assessment
Prime Time Internat'l Co. (formerly Single Stick) v. Johanss	U.S. District Court	Commodity Credit Corporation	\$ 10,000,000	Tobacco Buyout Assessment
Pringle, Eugene v. State of Oregon/USFS/et al. 13-309	U.S. District Court	Forest Service	\$ 185,000	Plaintiff seeks injunctive relief and monetary damages for alleged taking of mineral deposits. Neither the United States Attorney General nor U.S. Attorney's office have been served.
Program Discrimination	Court of Federal Claims	Rural Development	\$ 129,956	Delay of RD housing loan for low income housing based on sex
Program Discrimination	U.S. District Court	Farm Service Agency	\$ 500,000	Racial discrimination/constitutional and ECOA violations re denial of loan subordination request
Program Discrimination	U.S. District Court	Farm Service Agency	\$ 700,000	Motion to Enforce <i>Pigford</i> Consent Decree for several family members
Program Discrimination	U.S. District Court	Farm Service Agency	\$ 708,000	ECOA discrimination on basis of race for denial of farm operating loan
Program Discrimination	U.S. District Court	Farm Service Agency	\$ 1,200,000	Discrimination under Equal Credit Opportunity Act
Program Discrimination	U.S. District Court	Farm Service Agency	\$ 1,500,000	Discrimination under Equal Credit Opportunity Act based on discouragement from seeking loans and loan assistance because of race.
Program Discrimination	U.S. District Court	Farm Service Agency	\$ 1,500,000	Discrimination under Equal Credit Opportunity Act based on denial of loans because of race.
Program Discrimination	U.S. District Court	Food and Nutrition Service	\$500,000	Discrimination on the basis of disability in failure to establish Disaster SNAP after Hurricane Sandy

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Program Discrimination	U.S. District Court	Farm Service Agency	Implementation – At least \$1.33 billion from Judgment Fund (monetary relief), plus up to \$160 million in farm debt relief, is being provided for a voluntary administrative claims process for all eligible Hispanic and women farmers, including the named plaintiffs in these two lawsuits.	Discrimination under ECOA in the access to and participation in USDA's farm programs, such as the alleged denial or delay of farm loans and loan servicing by officials of FSA, and failure to properly process administrative civil rights complaints in violation of the Administrative Procedures Act on the bases of national origin (Hispanic), race (non-Caucasian Missans); sex. Complaints do not specify monetary demand, but proposed legislation provides \$4.6 billion to women farmers who prove discrimination.
Program Discrimination	U.S. District Court	Farm Service Agency	Implementation -- \$1.25 billion	There were concerns with the Pigford I Consent Decree when more than 63,000 potentially eligible African-American farmers who filed late 5(g) claims were denied participation in the claims process. In response, Congress passed Section 14012 of the Food, Conservation, and Energy Act of 2008 ("2008 Farm Bill"), which allowed African-American farmers who filed a late 5 (g) claim request to file lawsuits against USDA and appropriated \$100 million in the 2008 Farm Bill for monetary relief. These cases were consolidated into a new lawsuit. The Claims Resolution Act of 2010 appropriated an additional \$1.15 billion for monetary relief under a settlement.
Program Discrimination	U.S. District Court	Farm Service Agency	UNKNOWN	Discrimination under Equal Credit Opportunity Act and Age Discrimination Act and failure to investigate civil rights complaints under the Administrative Procedures Act
Program Discrimination	Court of Appeals	Farm Service Agency	Declaratory Relief	Allegations of discrimination related to HWFCP claims process
Program Discrimination	Court of Appeals	Farm Service Agency	\$ 1,600,000	Discrimination under Equal Credit Opportunity Act based on denial of loans because of race.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Protect our Communities v. USDA	U.S. District Court	Forest Service	N/A	NEPA, NMFA, ESA, FLPMA challenge to the Sunrise Powerlink Project on the Cleveland National Forest
Pryors Coalition v. Weldon	Court of Appeals	Forest Service		NEPA, NFMA challenge to Beartooth Travel Plan, Custer NF
Quanshavia and Annie Green	U.S. District Court	Animal and Plant Health Inspection Service	\$1,500	FTCA - Auto Accident
Quatterra Alask Inc. v. Salazar	U.S. District Court	Forest Service		Constitutional/NEPA/NFMA/FLPMA challenge to Northern Arizona Withdrawal
Queen Allen-Smith v. Tom J. Vilsack	U.S. District Court	Rural Development	\$ 100,000	Employment discrimination: Disability, Race, reprisal and age
Qui tam action under seal	U.S. District Court	Rural Development		DOI opted out. Person claims RHS guarantees should not have been paid.
Qui tam action under seal	U.S. District Court	Rural Development		DOI opted out. Person claims B & I guarantees should not have been paid.
R&G Food Services, Inc. d/b/a/ Port-A-Pit Catering v. Dep't Of Agriculture, CBCA No. 3126	Civilian Board of Contract Appeals	Forest Service	\$100,000	Contract Appeal
Rashpal Singh Gill and Dalwinder Kaur dba Livingston Grocery v. USDA	U.S. District Court	Animal and Plant Health Inspection Service (APHIS)	Attorney Fees - Undetermined	FOIA
Ray v. Vilsack	U.S. District Court	Animal and Plant Health Inspection Service		Challenge to license renewal under the Animal Welfare Act
Richard Carter and Jerry Goodwin, dba R&J Feed, v. The United States	Court of Federal Claims	Farm Service Agency	\$21 million	Seeks damages for breach of contract.
Robert A. Luciano Jr. v. USDA	U.S. District Court	FS	N/A	Plaintiff small tract act application denied
Robert C. Rosenbaum, et al.	National Appeals Division	Farm Service Agency	\$ 90,000	EAJA Claim.
Rocky Mountain Recreation of Utah v USDA	COFC	Forest Service	n/a	Challenge to termination of a resort permit and claim for damages.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Rosberg v. Jacobsen	U.S. District Court	Food Safety and Inspection Service		Civil lawsuit alleging that an FSIS inspector made false statements in a report and that plaintiff suffered economic injury as a result
Rosemont Earthworks et al. v. DOI et al.	U.S. District Court			Plaintiffs allege that BLM's interim and final rule, "Mining Claims under the General Mining Law" is invalid, as is the final rule, "Locating, Recording, and Maintaining Mining Claims or Sites" because the rules do not comply with FLMMA, NEPA, Mining Law of 1872, & APA
Rotarius International Market (Lyelwe Ramazani) v. USA	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Rural Housing of Grove, LP	National Appeals Division	Rural Development	\$ 25,000	EAJA Claim.
Sacramento Grazing Association v. US	U.S. District Court		\$ 9,000,000	Allegations of taking property without just compensation re: Sacramento Grazing Allotment, reduction of numbers of livestock
Sarvyjit S. Chowdhary v. Tom. J. Vilsack	U.S. District Court	Farm Service Agency		Employment Discrimination: Race, color, age, religion, national origin and reprisal for prior EEO activity.
Save Medicine Lake Coalition, et al. v. BLM, et al.	U.S. District Court	FS		N/A Environmental challenge (NEPA, NHPA, Geothermal Steam Act) to authorization for geothermal development on Klamath & Modoc NFs
Sealaska Corporation	Department of Interior	Forest Service		Alaska Native corporation for the region encompassing the Tongass NF has three pending claims to ownership of historical sites in the forest pursuant to section 14(h)(1) of the Alaska Native Claims Settlement Act, pending before the Interior Dept.
Sequeira, Frank & Ana Marie	Bankruptcy Court	Farm Service Agency	\$36,196.68	Borrower discharged from Chapter 7 on 12/20/2011. OIG/DOJ entered into a settlement agreement and they were to surrender remaining security (equipment) to FSA.
Sequoia Forest Keeper, et al. v. Tidwell	U.S. District Court	Forest Service		Facial Challenge to 36 CFR §§ 215.4(a) & 215.12(f), Appeals Reform Act issue; Applicability of APA to FS project decisions
Shakila Z. Razzak and Zakariya Razzak d/b/a Quick Stop Grocery Stop v. USA	U.S. District Court	Food and Nutrition Service		SNAP Disqualification

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Shamoun Ebtissam & Hani Michael v. USDA	U.S. District Court	FNS	N/A	Judicial review of three year disqualification from SNAP Program
Shanez Lakhani and Alisha 786 Enterprises, LLC, d/b/a/ El Superior Food Mart v. USA	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Sierra Club v RUS	Court of Appeals	Rural Development		Sierra Club used NEPA and APA to challenge approvals by RUS relating to proposed development of coal fired generating station in Western Kansas.
Sierra Club v. USDA	U.S. District Court	Forest Service		Challenge to the 1992 Forest Plan Amendment for the Shawnee National Forest for violating NEPA, NFMA and Migratory Bird Treaty Act
Sierra Forest Legacy et al. v. USFS, et al.	U.S. District Court	Forest Service		RS Sierra Nevada Forests; MIS Amendment
Sierra Forest Legacy v. Kimball	U.S. District Court	FS	N/A	Case settled, but subject to reinstatement under certain conditions
Sierra Forest Legacy v. Sherman	U.S. District Court	FS	N/A	Environmental challenge (NEPA, NFMA) to 2004 Sierra Nevada Framework
Sierra King District Hospital	Bankruptcy Court	Rural Development	\$75,659.58	Debtor objects to proof of claims. Debtor request court enter Order fixing/allowing pre-petition claim
Singh, Paul & Andrea	Bankruptcy Court	Farm Service Agency		Pending dispute
Smith et al. v. U.S. 11-cv-02068 (WD LA)	U.S. District Court	Forest Service	\$ 4,000,000	As a result of a flash flood in the Albert Pike Recreation Area located in the Ouachita National Forest in Arkansas 20 people lost their lives and an unknown number of individuals received personal injuries. In the instant case, a mother is damages for personal injuries her son sustained as a result of the flooding. (Note, all potential Albert Pike flood victims have until 6/11/2012 to file FTCA claims. So far the U.S. has received 23 administrative claims from 41 individual claimants. The total amount claimed at the administrative level is \$453,738,671
Smith v. USDA	Bankruptcy Court	Rural Development		Plaintiff claims agency violated automatic stay by foreclosing on home after bankruptcy filing
Snowlands Network v. USFS	U.S. District Court	Forest Service	N/A: injunctive relief EAJA Fees only	Plaintiffs challenge FS's Over-Snow Vehicle trail grooming program on 11 FS in California under NEPA and NFMA

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Southeast Alaska Conserv'n Council v. Federal Hwy Admin.	Court of Appeals	Forest Service		Plaintiffs challenged construction of a road to Juneau, a project of the Federal Highway Administration and State of Alaska in which the Forest Service agreed to the appropriation of roadless areas of the Tongass. After the State unsuccessfully appealed an adverse decision, the agencies are reinitiating NEPA analysis. The FHWA agreed to pay the award of attorney fees in the case.
Souza, Alvin, dba Alvin Souza Dairy	U.S. District Court	Farm Service Agency	\$177,134.14	Pending dispute
Stable Investments Partnership, v. Vilsack, (N.D. Ill.)	U.S. District Court	Farm Service Agency		Eligibility Determination
State of Alaska	Department of Interior	Forest Service		The State of Alaska has 146 claims to ownership of parcels of land within the Chugach and Tongass NF pursuant to the Alaska Statehood Act, pending before the Interior Dept.
State of Arizona v. Little Co.	U.S. District Court			
State of California v. USDA	U.S. District Court	Forest Service		N/A Environmental challenge (NEPA) to 2004 Sierra Nevada Framework
Swanson Group Mfg. LLC v. Salazar, Case No. 10-cv-01843-RJL (D. D.C.)	U.S. District Court	Forest Service		N/A Timber companies and Associations bring suit against the FS, USFWS and the BLM because less timber has been offered from areas covered by the Northwest Forest Plan than these groups believe should be provided. The claims against the FS (and BLM and FWS) are brought under the APA, that a Methodology to estimate northern spotted owl numbers should not have been adopted without notice and comment rulemaking. Parties have completed briefing and arguments, awaiting the court's ruling.
Tai-Hi Market v. USDA/FNS 12-5566	U.S. District Court	Food and Nutrition Service	\$ 59,000	Plaintiff seeks judicial review of FNS's denial of their request to pay a \$59,000 civil monetary penalty in installments rather than the regulatory lump sum payment. FNS charged plaintiffs with trafficking in SNAP. Plaintiffs have not further pursued this case and consequently are permanently disqualified from participation in SNAP. Government is awaiting to see if plaintiffs appeal.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Takings claim: Walter Freeman v. US 01-39L	Court of Federal Claims	Forest Service	\$ 5,000,000	Takings claim in connection with mineral invalidity determination by USDI, which is on appeal. The court granted plaintiff's motion to amend his complaint to add additional takings claim based on the FS's response plan of operations filed by a new/separate entity, and on refiled mining claims that are the subject of the original lawsuit associated with the IBLA's determination
The Cloud Foundation et al. v. Ken Salazar et al.	Court of Appeals	Forest Service		Challenge to the Custer Forest Plan in relation to Pryor Mountain Horse Management Plan, Wild Free Roaming Horses and Burros Act, APA.
The Deron School of New Jersey, Inc., et al v. USDA, et al.	U.S. District Court	Food and Nutrition Service	Not quantifiable, national policy impact	Four, for-profit private schools serving special needs students, challenged the Secretary's statutory-based position under the National School Lunch Program and alleged violations of students' civil rights
The Lands Council et al. v. Tom Tidwell	U.S. District Court	Forest Service		Challenge to the Bussel 484 Project on the Idaho Panhandle National Forests. NEPA, NFMA, APA.
The Lands Council; HCPC; LOWD / US Forest Service 12-619-LRS		Forest Service		Plaintiff alleges NFMA and NEPA violations in the South George Vegetation and Fuels Management Project on the Umatilla National Forest. Plaintiffs also challenge the agency determination that the project contains no wilderness potential. The government is preparing its answer and administrative record.
The New 49'ers, Inc. v. Karuk Tribe of California, S.Ct. No. 12-289	Supreme Court	Forest Service		Petitioner challenges the holding that petitioner's Notice of Intent to conduct suction dredge operations on FS lands in the critical habitat of an endangered species submitted pursuant to 36 C.F.R. 228.4 (2004) is an action for purposes of the Endangered Species Act requiring FS to consult before allowing such operations to proceed. The FS, while agreeing that the decision is wrong, did not itself seek cert. Cert. denied March 18, 2013 (133 S.Ct. 1579).
The Wilderness Society v USFS	9th Circuit	Forest Service	n/a	Challenge to EIS for the road reconstruction upheld by the 9th circuit.
Thomas, Ruth and Chris Glasser and Phil and Annie Tice	U.S. District Court	Forest Service	Several million	Wrongful Death (not FTCA)
Tiejerina, Jorge Luis	Bankruptcy Court	Farm Service Agency	\$255,266.38	Chapter 12 bankruptcy

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Tim Farrell and Nancy Farrell / United States of America through Rural Housing Service 12-265-REB		Other		The Farrells originally brought an administrative claim to USDA-RHS (Idaho) alleging, under a warranty theory, that their builder's breach of contract should be remedied by RHS. The United States moved to dismiss based on lack of jurisdiction and the district court agreed. Plaintiffs have now refiled in the United States Court of Federal Claims.
Timber Harvester v. USFS	Civilian Board of Contract Appeals	Forest Service		Appeal of termination for default of timber sale contract on Croatan National Forest
Tone v. Vilsack	Sixth Circuit Court of Appeals	Rural Development		Alleged violation of Administrative Procedure Act and Due Process in servicing Rural Housing Guaranteed Loans
Trusted Integration, Inc. v. United States, Civ. Act. No. 09-898 (D.D.C.)	U.S. District Court		\$15,000,000 (USDA is not a defendant and this amount is sought from DOJ)	Plaintiff Trusted Integration alleges that the Department of Justice made false or misleading advertisements to other federal agencies in association with DOJ's Information System Security Line of Business (ISS LOB) Shared Service Center offering (a cyber security tool). Because USDA was one of the federal agencies that may have allegedly received false or misleading information from DOJ, we are responding to the plaintiff's discovery requests through DOJ.
Tsedalu H. Kebede, / United States, Department of Agriculture Food and Nutrition Service 12-2251-JCC		Food and Nutrition Service		Plaintiff Tsedalu Kebede, doing business as Jefferson Grocery, filed a complaint in the Western District of Washington challenging the Food and Nutrition Service's decision to permanently disqualify the store from the Supplemental Nutrition Assistant Program (SNAP). Plaintiffs filed the complaint in December, but they haven't served the U.S. Attorney's Office yet.
Tungjunyatham v. Vilsack	Other	FSIS	Monetary damages-amt not yet specified	Title VII case alleging race discrimination and retaliation; also includes a Privacy Act claim
U. S. v. Redlands et. al. (The Ferguson Fire)	U.S. District Court	Forest Service	\$3 million	Fire case--Interior taking lead
U.S. v. A & R Productions et al.	U.S. District Court			
U.S. v. AIB, LLC	U.S. District Court	Rural Development		US challenging redemption price cited by first mortgage holder after first mortgage holder foreclosure action

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
U.S. v. Billy Rowan	U.S. District Court	Animal and Plant Health Inspection Service		Collection action for failure to pay an assessed civil penalty
U.S. v. E.N.A. Packing Co.	U.S. District Court	Grain Inspection, Packers and Stockyards Administration		Action to enforce an administrative subpoena
U.S. v. El Dorado County		Forest Service		The underlying litigation settled and there is a Partial Consent Decree (PCD) in place. At issue, is opposing counsel's Motion to Amend the PCD and the U.S.'s appeal
U.S. v. Estate of E. Wayne Hage	U.S. District Court	Forest Service	TBD	Claim by United States for unlawful grazing on FS property and damages arising therefrom.
U.S. v. Exxon Corp. et al, No. 3-91-cv-0082-HRH, Alaska	U.S. District Court			On October 9, 1991 the United States and Alaska (the "Governments") entered into a Consent Decree to resolve liability issues resulting from the Exxon Valdez Oil Spill (EVOS). In addition to the payments that Exxon made at the time, the Consent Decree also provided that the Governments could make a demand for additional payments from Exxon of up to \$100 million, to restore resources that suffered a substantial loss or decline in the areas affected by the oil spill that were unanticipated at the time of the 1991 Consent Decree. The Governments had until June 1, 2006 to give notice to Exxon of any additional claim under this provision. The Governments gave notice on May 31, 2006, and timely provided Exxon a Restoration Plan calculated at \$92,240,982.00 on August 31, 2006. Settlement discussions are continuing.
U.S. v. Faron L. Tallent, Regions Bank, N.A., et al.	U.S. District Court	Farm Service Agency	\$235,000	Protracted Farm Foreclosure
U.S. v. Jacob's Would Famous Andouille	U.S. District Court	Food Safety and Inspection Service		Criminal case alleging violations of the Federal Meat Inspection Act

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
U.S. v. Leonard Cattle	U.S. District Court	Grain Inspection, Packers and Stockyards Administration		Action to enforce an administrative subpoena
U.S. v. R. Tenorio's Home Industry, et al.	U.S. District Court	Food Safety and Inspection Service		Civil lawsuit alleging violations of Poultry Products Inspection Act
U.S. vs. Ephron H. and Doris Lewis, Sr., et al.	U.S. District Court	Rural Development	\$750,000	Default on Business Loan.
United Housing and Educational Development v. USDA	U.S. District Court	Rural Development		Dispute regarding eligibility to manage federal grant for self-help housing program.
United States / Derek Hoyte/Columbia Crest Partners LLC 10-2044-BHS		Forest Service		The United States filed an affirmative action against Derek Hoyte and Columbia Crest Partners for violations of a conservation easement held by the United States on land owned by Defendants located within the Columbia River Gorge National Scenic Area. Defendants are constructing a "zip-line" that will provide paying customers an elevated/suspended travel, by harness, to view the vistas of the Columbia River Gorge. The parties are currently negotiating a settlement.
United States / Everist12-001-CL		Forest Service		United States brought a criminal action against miner David Everist. Mr. Everist was found guilty of unauthorized occupancy on National Forest lands without an approved operating plan and sentenced to 30 days in jail and fines and restitution in excess of \$3,000. Defendant has appealed his conviction.
United States / Lynn J. Olsen II, et al 11-6001-efs		Risk Management Agency		The United States brings a criminal fraud charge against defendant Lynn J. Olsen and other parties. Defendants allegedly claimed insurance payments in the millions to which they were not entitled. Trial is now ongoing.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
United States of America / 13.1 Acres of Land ... and Mark L. Mesecher, et al. 12-3139-RMP		Farm Service Agency		The United States brings an condemnation action, on behalf of the Bonneville Power Administration, against Defendants 13.1 acres of land and the Mesechers. At issue is the value of Defendants affected property in the condemnation. USDA-FSA's interest is to require Defendants, pursuant to their loan agreement, to apply the proceeds received from its land valuation against its outstanding loan with the FSA. The parties are currently engaged with discovery.
United States of America / Bruce Parke 12-1787-SU		Forest Service		This is a civil trespass case against Bruce Parke in which the government alleges that Mr. Parke's mining operations in the Wallowa-Whitman NF violate the terms of his approved plan of operations. The parties were not able to resolve the dispute through court-ordered mediation. The United States is preparing a motion for summary judgment.
United States of America / Seaside Associates, LLP 12-1278-SU		Forest Service		United States brings an affirmative action against the landlord for damages of nearly \$2 million associated with the fire and destruction of the Enterprise, Oregon Visitors Center housing the Forest Service, Farm Service Agency, and Natural Resources Conservation Service. The fire start was due to the negligent handling, resulting in spontaneous combustion, by landlord's contractor during repainting of the exterior building. The parties are currently in discussions over settlement.
United States Toyobo Co., Ltd et al, No. 1:07-cv-01144 (D.D.C.)	U.S. District Court			Qui tam case involving the sale of defective bullet proof vests to government agencies.
United States v. 13.1 Acres of Land... and Mark L. Mesecher, et al 12-9139	U.S. District Court	Farm Service Agency	\$20,000+	United States brings a condemnation action on behalf of the Bonneville Power Administration and the Farm Service Agency demands that the proceeds from the court's determination of defendant's land value to be applied towards defendant Mesecher's outstanding loans with FSA.
United States v. Ansari	U.S. District Court	Food and Nutrition Service		Criminal action alleging SNAP Fraud.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
United States v. Copar Pumice Co., et al.	U.S. District Court	Forest Service		Affirmative civil litigation for mining, removal, and sale of large pumice
United States v. Federal Resources, No. 2-11-CV-00127-REB, Idaho.	U.S. District Court	Forest Service	\$7.4 million	The case is a CERCLA cost recovery action brought by EPA and the Forest Service, to recover \$7.4 million for the cleanup of three mine sites in Idaho. To date, estimated cost of litigation is \$75,000
United States v. Henry E. Davison, et ux	U.S. District Court	Farm Service Agency		Protracted Farm Foreclosure
United States v. Hoffman et al.,	U.S. District Court	Farm Service Agency	\$ 2million	Judgment Debtors are in collection phase
United States v. Olsen, Lynn 11-6001	U.S. District Court	Risk Management Agency	\$5,000,000	United States brings criminal charges against defendant for submitting false insurance claims in excess of \$5 million. Trial began on April 15, 2013, and is expected to last 5 weeks. Defendant is insolvent and the government seeks imprisonment in this action.
United States v. Parke, Bruce 12-1787	U.S. District Court	Forest Service		This is a civil trespass action against defendant Parke for violating the terms of his approved mining plan of operations on the Wallowa-Whitman National Forest. The United States is preparing a motion for summary judgment.
United States v. Sealift, Inc.	U.S. District Court	Commodity Credit Corporation	\$ 3,269,070	International food aid commodity loss and damage claim against ocean carrier
United States v. Timber Products Co.	U.S. District Court	FS	\$2,742,769.48 + interest from 2000	Contract Disputes Act damages for suspension of timber sale contract due to environmental litigation
United States vs. Roselean Caraway	U.S. District Court	Rural Development		Protracted SFH foreclosure with Civil Rights implications.
United States vs. Tommie Anderson	U.S. District Court	Rural Development	\$27,500	Protracted SFH foreclosure.
United States vs. Bobbie Gaddis, et al.	U.S. District Court	Rural Development	\$45,000	Protracted SFH foreclosure.
Unroe v. USDA	U.S. District Court	Rural Development		Alleged violation of Administrative Procedure Act and Due Process in servicing Rural Housing Guaranteed Loans
US v John Carpenter et al.	U.S. District Court	Forest Service	n/a	Challenge to quiet title act settlement agreement on RS 2477 road right of way.
US v. Benton Co. Sewer Dist. #1 of Benton Co., MO	U.S. District Court	Other	\$1.2 million	RHS financed Sewer District seeks to dissolve in effort to abrogate its debt

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
US v. BNP Paribas SA; et al.	U.S. District Court	Foreign Agricultural Service and CCC	\$ 78,997,917	Civil Fraud
US v. Otero County, State of New Mexico	U.S. District Court	Forest Service		United States' challenge to constitutionality of NM statute that County interprets as allowing County to perform forest management functions on national forest.
US v. Southern California Edison (James Fire)	U.S. District Court	Forest Service		
USA / Richard L. Oberdorfer 12-578-HJ		Forest Service		In a single-count filed October 31, 2012, the Government charges that the defendant Richard L. Oberdorfer "constructed and maintained a structure and placed communications equipment on Forest Service land without authorization, all in violation of [36 C.F.R. §] 261.10(a)." On April 24, 2013, the District Court denied the defendant's motion to dismiss the information on double jeopardy grounds. The criminal trial is set for May 31, 2013.
USA v. Duerson Foods LLC	U.S. District Court	Agricultural Marketing Service		Procurement
USA v. Al Klaus (Crown Fire)	U.S. District Court	Forest Service	\$1.7 million	Fire Recovery Case
USA v. Chacul (Glendora Fire)	U.S. District Court	Forest Service	\$300,000.00	Fire Recovery Case
USA v. Charles Gibson Paving (Pigeon Fire)	U.S. District Court	Forest Service		Fire Recovery Case
USA v. Enterprise Rent-A-Car (China Fire)	U.S. District Court	Forest Service		Fire Recovery Case
USA v. Grove	U.S. District Court	Forest Service	N/A	Ejectment action against unlawful residence on NFS lands
USA v. Mednansky	Court of Appeals	Forest Service	\$46,000.00	FS civil action to terminate trespass and eject former SUP holder
USA v. Mostad	U.S. District Court	Forest Service	N/A: Imprisonment, fines or both pursuant to CFR	Criminal action against miner for unauthorized significant surface disturbances, placing pollutants near stream, & violations of approved OP.

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
USA v. Native Wholesale Supply	U.S. District Court	Commodity Credit Corporation	\$ 33,817,856	Tobacco Buyout Assessment
USA v. PG&E (Whiskey Fire)	U.S. District Court	Forest Service	\$5.8 million	Fire Recovery Case
USA v. Provoco, et al. (Power Fire)	U.S. District Court	Forest Service	\$8.4 million	Fire Recovery Case
USA v. SCE (Sayre Fire)	U.S. District Court	Forest Service	\$7.6 million	Fire Recovery Case
USDA v. Eddie Liquor	U.S. District Court	FNS	N/A	Judicial review of permanent qualification from SNAP Program
USDA v. Garmo, Freddy & Steven, dba M&S	U.S. District Court	FNS	N/A	Appeal from SIM finding Appellants liable for Transfer of Ownership Civil Money Penalty under SNAP program
USDA v. Kassab, George M.	U.S. District Court	FNS	N/A	Judicial review of permanent qualification from SNAP Program
USDA v. Kee, Lee, dba Chin's Market	U.S. District Court	FNS	N/A	Judicial review of permanent qualification from SNAP Program
USDA v. Mounib Mikhail, Nezam Kasis	U.S. District Court	FNS	N/A	Judicial review of permanent qualification from SNAP Program
USDA/ Brooktrails Township Community	U.S. District Court	Food Safety and Inspection Service (FSIS)	Attorney Fees - Undetermined	FOIA
Ushock v. USDA	U.S. District Court	Farm Service Agency	\$ 10,000	Program record review-NAP
Valley Meat Company v. USDA	U.S. District Court	Food Safety and Inspection Service		Applicant seeking a grant of inspection to slaughter equines alleges undue delay in the processing of his application, in violation of the APA.
Vallire I. Scott v. Vilsack, USDA, et al.,	U.S. District Court	Office of the Chief Information Officer	\$ 200,000	Employment discrimination: Disability and retaliation discrimination
Vibo Corporation	TBD	Commodity Credit Corporation	\$ 16,367,353	Tobacco Buyout Assessment
Vierra, Theodore D.	Bankruptcy Court	Farm Service Agency	\$48,806.00	Chapter 7 bankruptcy

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Village of Yellowpine Association v. USFS	U.S. District Court	Forest Service		NEPA, NFMA challenge to McCall and Krassel Ranger Districts Snow Free Travel Management Plan, Payette NF
Villalobos v. Vilisack	U.S. District Court	FS	Monetary damages-amount not yet specified	Case alleging violations of Title VII and the Family and Medical Leave Act
Virginia Kinney v. U.S.	U.S. District Court	Forest Service (FS)	\$400,000-\$500,000	FTCA - Property Damage (from fire suppression activity)
Visions in Action V. Foreign Agricultural Service	U.S. District Court	Foreign Agricultural Service	\$ 477,132	Food aid grant dispute and related claim
Vivian A. Roberts vs. American Bank & Trust Co.	U.S. District Court	Rural Development	\$500,000	Plaintiff seeks to have USDA modify the guarantee and force the Department to promulgate and implement regulations.
Warsaw Sugar Beet Association, L.P.I., v. Federal Crop Insurance Corporation	U.S. District Court	Risk Management Agency	\$200,000	Challenge to indemnity claim.
Water Supply & Storage Co. v. USFS, et al.	U.S. District Court	Forest Service		Dispute re terms of FS easement authorizing operation of reservoir and dam on national forest.
Welsh Farms LLC v. U.S.D.A.	National Appeals Division	Farm Service Agency	\$ 150,000	NAD review of FSA action.
Western Agricultural Insurance Company v. USDA/RMA CBCA 3094	Civilian Board of Contract Appeals	Risk Management Agency	\$ 75,000	Appellant appeals RMA's decision denying its allowed insurance loss to its insured. The parties having reached a settlement in principle.
Western Agricultural Insurance Company v. USDA/RMA CBCA 3253	Civilian Board of Contract Appeals	Risk Management Agency	\$ 2,000,000	Appellant appeals RMA's decision that the inventory loss of Mike and Brian's Nursery's field grown apple trees was overstated. The issue is whether appellant followed the procedures required by the Standard Reinsurance Agreement for the 2010 crop year. The agency is compiling its administrative record.
Western Watershed Project, et al. v. USFS	U.S. District Court	FS	\$817,098.00	Environmental challenge (NEPA and EAJA fee request for several grazing allotments on various NFs)
Westland Meat Co. v. US	Court of Federal Claims	AMS, FSIS, FNS, GIPSA, OSE, OCR	\$ 67,221,598	Contract Appeal/Warranty Claim
White Rose LLC, d/b/a Shop and Save #6, v. United States	U.S. District Court	Food and Nutrition Service		SNAP Disqualification

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Wiechers v. Moore	U.S. District Court	Forest Service	N/A	Challenge to recreation fees charged for areas under the Federal Lands Recreation Enhancement Act in the Sequoia National Forest.
Wild Wilderness v. Allen 13-523	U.S. District Court	Forest Service		Plaintiffs bring NEPA and NFMA claims for the Kapka Butte Sno-Park Project on the Deschutes National Forest. The Government is preparing the administrative record and its answer.
Wild Wilderness, Winter Wildlands Alliance, Bend Backcountry Alliance / Allen, John and USFS 13-523		Forest Service		Plaintiffs Wild Wilderness, Winter Wildlands Alliance, and Bend Backcountry Alliance filed a complaint alleging that the Deschutes National Forest's EA and DN/FONSI for the Kapka Butte Sno-Park Project violated NEPA, NFMA. The government is preparing its answer and administrative record.
WildEarth Guardians v. USDA	U.S. District Court	Rural Development	Attorney Fees - Undetermined	FOIA
Wildearth Guardians v. USFS	Court of Appeals	Forest Service		NEPA/NFMA challenge to federal coal lease in Wyoming.
Wilderness Society v. USFS	U.S. District Court	Forest Service		Endangered Species Act claim regarding road closure decisions on Pike-San Isabel NF.
Wilderness Watch et al. v. Julie King	U.S. District Court	Forest Service		Challenge to the Fred Burr Project on the Bitterroot National Forest. Wilderness Act, NFMA, NEPA, APA.
Wilderness Watch v. Iwamoto et al. 10-1797	U.S. District Court	Forest Service		Challenge to repairs to Green Mtn Look-out, Mt. Baker-Snoqualmie National Forest. Adverse decision against the Government and no appeal. Court reduced plaintiff's EAIA application by \$18,000. To date no notice of appeal from plaintiffs.
Wildlands CPR v. USFS	U.S. District Court	Forest Service		Alleged violations of NEPA and EO 11644 and 11989 --Beaverhead-Deerlodge NF. Revised Forest Plan
Willie Huggins v. U.S. Dept. of Agriculture, Food and Nutrition Service	U.S. District Court	Food and Nutrition Service		Retail store owner disqualified for SNAP benefits.
Willie Roberts v. Vilsack	U.S. District Court	Forest Service		Plaintiff alleges discrimination based on race. Pending
Winnenmen Wintu Tribe, et al. v. USDA	U.S. District Court	Forest Service		Plaintiff alleges FS violated federal statutes by defacing/destroying cultural sites

Case Name or Description	Forum	Client Agency	Dollar Amount in Controversy	Brief Description of the Case
Winter Wildlands Alliance v. United States Forest Service, No. 1:11-cv-00586-REB	U.S. District Court	Forest Service	N/A	Challenge to over-snow vehicle exemption from the requirement to designate routes and areas for motor vehicle use in the Forest Service travel management rule. Court ordered Forest Service to revise regulation governing over-snow vehicle use.
Winterhawk Outfitters v US	Court of Appeals	Forest Service	\$1.5 million	Breach of contract claim re outfitter permit, White River NF
Wise et al. v. Vilsack	U.S. District Court	Farm Service Agency		Plaintiffs allege discrimination in program loan servicing from FSA
Woodlayer, Inc.	Bankruptcy Court	Farm Service Agency		
Woodward Stuckert et al. v. U.S.	U.S. District Court	Forest Service	\$1,852,891	FTCA - Forest Fire
WTO - Brazil Cotton	WTO	Commodity Credit Corporation	\$ 500,000	Subsidy Challenge (approximate amount per year)
WTO - COOL	WTO	FAS, AMS	\$ 600,000	COOL challenge (approximate amount per year)
WTO case - Argentine - Beef	Other	FAS - APHIS		Challenge on restrictions on entry of Argentine Beef into U.S. market.
WWP v. FWS and USFS	District Court	Forest Service		Issues: Alleged violations of ESA related to grazing on the Salmon-Challis National Forest
WWPv. USFS	District Court	Forest Service		Issues: Alleged violations of NEPA. FS categorically excluded numerous decision to authorize grazing.
XX, Inc.	referred to DOJ with recommendation to file suit	Commodity Credit Corporation	\$ 1,867,989	Cargo Claims
Yam Standard Food Market, et al. v. Sec'y of Agric	U.S. District Court	Food and Nutrition Service		SNAP Disqualification
Yount, et al. v. Salazar	U.S. District Court			Plaintiffs challenge BLM's decision to withdraw lands in the vicinity of the Grand Canyon as arbitrary, capricious, and abuse of discretion, or otherwise not in accordance with law.

Mr. Aderholt: Please provide a detailed description of the reorganization of the Office of the General Counsel.

Response: The Office of the General Counsel (OGC) of the U.S. Department of Agriculture reorganized its Washington, DC headquarters effective February 1, 2012. The reorganization was necessitated in part by a marked reduction in the staff of OGC over the last two decades, which was exacerbated by reductions in OGC's appropriations in FY 2011 and FY 2012. Since the start of FY 2011, over 60 members of OGC's staff have retired or resigned, and OGC has replaced only a few of these. OGC's staff year estimate for 2013 is lower than levels from 20 years ago by a quarter, and OGC has experienced no commensurate reduction in the amount of work. I will have the General Counsel provide you with specific details of the reorganization.

[The information follows:]

Faced with a reduced staff, an increasing and heavy workload for a legal office of its size, and continuing budget constraints, in August 2011 a group of OGC's senior career managers, the General Counsel, and her immediate staff met in Washington DC to discuss OGC's future. A key focus of the meeting was whether changes could be made in OGC's work processes and organizational structure to enhance its ability to continue to deliver excellent legal advice to its clients. The management team concluded that one of the few tools available was to organize into bigger structural units. A smaller group of managers developed a reorganization plan that was presented to the staff of OGC in October 2011, and modified after many listening sessions with employees and communications with AFGE Local 1106, which represents OGC's lawyers and support professionals.

Before the reorganization, employees of OGC in Washington DC were distributed among 13 small Divisions (some consisting of as few as four attorneys including their manager). This balkanized structure: (a) hindered OGC's ability to change the type of work handled by employees in response to changing needs; (b) limited developmental opportunities for employees to work in different areas of law; (c) impeded the communication of institutional knowledge essential to succession planning; (d) resulted in disproportionate manager to staff ratios; and (e) potentially resulted in uneven workloads among attorneys in different divisions and the occasional inability to service clients when a particular attorney was out of the office.

As described in further detail below and reflected in the attached organizational chart, the new OGC structure consists of only five Divisions. The benefits of this streamlined structure to OGC and its employees, its client agencies and the American public include:

- An enhanced ability to leverage staff resources -- larger staff blocks enable OGC managers to realign resources in response to changing client needs and help ensure that workloads are evenly distributed and that resources are fully utilized at all times;
- Over time, will allow OGC to eliminate a management layer, reducing salary costs and facilitating the hiring of lower-cost staff;
- More opportunities for attorneys to grow professionally by permitting them to work in a broader range of related practice areas and, in

combination with the flattening of the management structure, by empowering them to work more independently;

- The elimination of organizational barriers to knowledge-sharing, collaboration and cross-training. This benefit is particularly important given that as of March 21, 2013, 67 employees (including five out of 15 Career Senior Executives and 23 out of 57 GS-15 attorneys) are either eligible to retire or will be within the next two years, and that budgetary constraints may not permit OGC to hire and train successors in advance of retirements;
- Better alignment of OGC's organizational structure with the Department's structure and client needs; and
- Ensuring that practice groups maintain the critical mass required to permit some cross-training so as to enable coverage when specialized attorneys serving a client are absent.

Specifically, the reorganization resulted in the following changes summarized in the chart below:

USDA - OGC Headquarters Reorganization Effective 2/1/2012		
	Before	After
Associate Areas	6	0
Divisions	13	5
Deputy General Counsels	1	2*
Associate General Counsel Positions	6	5
Assistant General Counsel Positions	13	8
Deputy Assistant GCs**	13 Positions 11 incumbents	0 Positions 7 incumbents
*One career SES and one political SES		
**Position to be eliminated gradually as incumbents retire or resign.		

1. Larger Divisions. The reorganization eliminated 13 divisions and consolidated them into 5 practice divisions, each led by an Associate General Counsel and one or two Assistant General Counsels who manage the practice as a collaborative team. The new divisions are: 1) International Affairs, Food Assistance, and Farm and Rural Programs; 2) General Law and Research (including litigation and legislation); 3) Civil Rights, Labor and Employment Law; 4) Natural Resources and Environment; and 5) Marketing, Regulatory, and Food Safety Programs. Except for the Civil Rights, Labor and Employment Law Division, which has two sections because of the need to separate the counseling function from the defensive litigation function, the new divisions have no subordinate units.

With the reduction in the number of divisions, numerous functions within the divisions were realigned. The employment and labor law functions from the legacy General Law Division moved to the new Civil Rights, Labor and Employment Law Division. The commodity procurement function moved from the legacy International Affairs and Commodity Programs Division to the new

General Law and Research Division. Also, functions handled by the former Legislation Division are now handled by a lawyer within each of the five new divisions who coordinates legislative matters for his or her division.

2. Gradual reduction in the layers of management and the number of managers. Prior to the reorganization, headquarters had four layers of management: 1) General Counsel/Deputy General Counsel; 2) Associate General Counsel; 3) Assistant General Counsel; and 4) Deputy Assistant General Counsel. There were six Associate General Counsels who supervised a total of 13 divisions, each of which was led by one Assistant General Counsel. Some of the 13 divisions also had one or more Deputy Assistant General Counsels. Through the reorganization, we are gradually flattening the management structure and reducing its cost burden by:

- a. Phasing out Deputy Assistant General Counsel positions by attrition. Deputy Assistant General Counsel positions will not be filled as incumbents leave OGC or voluntarily transfer to another position within OGC.
- b. Realigning the Assistant General Counsels. The number of Assistant General Counsels in each division has been and will continue to be realigned based on factors such as number of employees in the division, complexity of work, and experience level of the line attorneys.

3. Addition of a career Deputy General Counsel position. This increased the total number of Deputy General Counsels to two (one political and one career). This position is designated for a career senior executive and oversees two of the four Regional Offices, and three of the five Associate Divisions. This position allows an individual with long-term knowledge of OGC to focus on essential operational functions, helps to ensure that the activities of the field offices and headquarters are better coordinated, and provides continuity during times of leadership transition. This new position is budget neutral because we reduced the number of Associate General Counsels from six to five.

4. The realignment of secretaries. The existing Washington DC secretarial staff has been realigned so that each division has two or three secretaries depending upon the division's size. Before the reorganization, there was one division with one secretary, and others with three or four secretaries without any correlation to the number of attorneys in the divisions or the nature of the work performed. OGC has worked with support staff to accommodate transfers which resulted in proportional assignments of secretaries to the divisions.

Although change is always difficult, OGC worked extensively with AFGE Local 1106 and endeavored to effect its reorganization with minimal staff disruptions and no impact on services to client agencies. OGC has been operating as reorganized for over a year. The new structure and management approach generally gets high marks from members of the OGC team at all levels and from client agencies, which notice our efforts to cross train our lawyers and thus enhance our ability to serve their needs even if the face of declining resources.

In addition to the reorganization of OGC headquarters, effective 4/15/12, the Office of Ethics (OE) was realigned from the Office of Human Resources Management under Departmental Management and put under the supervision of the General Counsel. This realignment placed USDA's ethics

function with the legal office, consistent with other Executive departments and agencies. In addition, the realignment enabled consolidation of USDA's ethic functions with performance of other legal advisory services already provided by OGC in the ethics arena. The major functional components of OE remain unchanged and include a Director and Deputy Director, four divisions with approximately 24 staff years.

#### BIOBASED MARKETS PROGRAM

Mr. Aderholt: Please fully explain USDA's position that most forest products should not be included in the USDA biopreferred program because they are not considered "new" products. Include relevant current law, conference report language, and USDA's policy or guidance and regulation.

Response: Section 9002 of the Farm Security and Rural Investment Act of 2002 (FSRIA) originally authorized the BioPreferred program. The Food, Conservation, and Energy Act of 2008 reauthorized the program. The USDA regulation outlining the procurement preference program was developed based on the conference report accompanying FSRIA, which states that the intent of section 9002 "is to stimulate the production of new biobased products and to energize emerging markets for those products." For this reason, USDA's regulation, "Guidelines for Designating Biobased Products for Federal Procurement," currently excludes mature market products from the program. It is generally understood that the forest products industry is mature. However, we recognize the need for as much flexibility as possible to develop new markets. As such, USDA proposed amendments to the BioPreferred Guidelines in May 2012 that would eliminate the mature market exclusion and focus the program on creating "new and emerging markets for biobased materials." The proposed rule seeks to provide additional flexibility in considering forestry products for inclusion in the BioPreferred program and continues to be consistent with the guidance provided in the FSRIA's conference report. When USDA has completed consideration of the public's comments on the proposed rule, the final rule will be published.

#### US SCHOOLS CHALLENGE/LET'S MOVE INITIATIVES

Mr. Aderholt: Please explain the goals and the expected outcomes of USDA's U.S. Schools Challenge Grants program, related grant programs and initiatives and explain how such programs do not overlap? How much is in the budget for each of these initiatives? How much was spent in fiscal year 2011 and how much does USDA plan to spend in FY 2012 and FY 2013 on each of these efforts?

Response: USDA's HealthierUS School Challenge (HUSSC), established in 2004, is a voluntary certification initiative that recognizes Team Nutrition schools that have met rigorous standards for nutritious food and beverage choices, nutrition education, physical education and opportunities for physical activity for students. The HUSSC was adopted under the First Lady Michelle Obama's *Let's Move!* initiative in February 2010, and at that time financial incentives were made available to HUSSC schools. The financial incentives provided to schools for achieving the awards were based on the level of award: Bronze, \$500; Silver, \$1,000; Gold, \$1,500; Gold with Distinction, \$2,000. Schools also receive a banner, award plaque, and recognition on the Team Nutrition Web site for their efforts.

In February 2012, USDA revised and significantly enhanced the criteria to not only reflect meeting higher standards than the recent changes to the

National School Lunch Program (NSLP) requirements, but also a broader commitment to healthier school environment including enhanced breakfast criteria and "Other Criteria of Excellence" which relate to program outreach to partners and the community, physical activity, and nutrition education. Recent research findings from School Year 2009-2010 suggest that HUSSC schools have been leaders in adopting healthier school meals.

The number of HUSSC schools has experienced significant increases from the baseline of 1,250 schools when it was incorporated into *Let's Move!* on February 9, 2010. Goals were exceeded in both 2011 and 2012 with a current total of 6,079 HUSSC award-winning schools from 49 States and the District of Columbia.

There are no other programs within the Child Nutrition account that duplicate this specific certification initiative, which is supported by Team Nutrition funding. The Team Nutrition funding supports the States by providing training and technical assistance to States to sustain and promote the health and education of the Nation's children as well as development of policy and resource materials. The funding provided for HUSSC will continue to be used solely to provide the certified schools financial incentives. In the first year these funds were provided, fiscal year 2011, HUSSC awards were budgeted at \$699,000 of which \$270,000 was awarded within the fiscal year. The remainder was provided to states in the following fiscal year, as these are two year funds. In FY 2012, the funds were increased to \$1,500,000 and a total of \$1,256,998 was awarded to schools. The remainder was awarded in early FY 2013. In FY 2013, the budget is \$1,500,000 which is expected to be spent before the end of the fiscal year.

#### AVIATION BIO-FUELS

Mr. Aderholt: Secretary Vilsack recently signed an agreement with the Federal Aviation Administration and other partners to develop a viable biofuel for the aviation industry. USDA states that the Federal Government hopes to support the annual production of one billion gallons of drop-in aviation biofuel by 2018. How many gallons of aviation biofuel were produced in fiscal year 2012 and expected to be produced in fiscal year 2013?

Response: The information is provided for the record.

[The information follows:]

In 2012, The U.S. Navy purchased 100,000 gallons of JP-5 alternative aviation biofuel that was produced by a commercial company for research use, with an additional 350,000 gallons of F-76 marine biodiesel.

Two commercial scale biofuel companies (Kior and Diamond) have projected combined 2013 production of 156 million gallons of drop-in green diesel. These same technologies can be configured to produce aviation biofuel, so the capacity to produce aviation fuel in 2013 will be at more than 15% of the 2018 goal.

Several companies are in the process of partnering to scale up to commercial-scale facilities and which are pursuing certification of their process technology for aviation fuel production and use. These companies include: ARA, Virent, UOP, KIOR, Amyris, Byogy, Gevo, Lanzatech, Cobalt, Cool Planet, SASOL, and Diamond.

**QUESTIONS SUBMITTED BY CONGRESSMAN LATHAM**

**COUNTRY OF ORIGIN LABELING**

Mr. Latham: Mr. Secretary, can the Department share the expected time frame in which it plans to implement the revised Country of Origin Labeling Rule, given the fact that the WTO has yet to determine whether the proposal is compliant with WTO guidelines?

Response: Because we are in the rulemaking process, I cannot get into specifics on the implementation date of the final rule. The United States must meet the May 23, 2013, deadline given to us by the WTO or risk facing retaliation, but we do understand that regulated entities need time to make the necessary adjustments to comply with the rule.

Mr. Latham: Specifically, is the Department willing to consider an extended implementation period, in order to allow for the consideration of the WTO's determination and any subsequent changes to the rule that may be required, in order to avoid the potential of changing the labeling rules for the meat industry twice?

Response: Again, I cannot get into specifics on the implementation date because we are in the rulemaking process. USDA received a number of comments on the implementation date, including comments requesting an extended implementation period, and these comments will be given full consideration as we draft the final rule.

**RUS BROADBAND LOAN PROGRAM**

Mr. Latham: Mr. Secretary, I understand you recently met with the chairman of the FCC to discuss the impact of universal service reform on rural broadband investment. Let me start by commending you for holding that meeting and for supporting the deployment of CAF-1 funding - something I also supported in a letter to the Chairman. I share the concerns expressed by the Rural Utilities Service about under-utilization of loans for the further deployment of broadband in rural America, due to uncertainty created by the FCC's USF transformation order. Do you believe that as a result of your meeting that the Commission now understands some of the harms stemming from implementation of this order?

Response: We share your concerns about the need to restore predictability and certainty to the rural broadband investment climate which has contracted as a result of the newly imposed caps in high cost Universal Service Fund (USF) support and cost constraints from the Quantile Regression Analysis benchmarks outlined in the Federal Communications Commission's (FCC) Transformation Order. USDA believes rural broadband deployment is an engine for economic growth and job creation in rural areas and throughout America.

Access to 21st Century broadband is essential not only to rural economic development, but to the nation's continued economic recovery. In the 2008 Farm Bill and the American Recovery and Reinvestment Act of 2009, Congress made clear that the USDA and the FCC must work together to create pro-investment policies which support rural broadband deployment. I remain hopeful that the FCC, under new leadership, will work with USDA to restore certainty and stability for rural broadband investment to continue which will afford the most rural and remote communities the opportunity to fully

participate in e-commerce, trade, civic engagement, medical care and academic and career advancement. Additional information is provided for the record.

I remain hopeful that the FCC, under new leadership will strongly consider USDA's recommendations to restore certainty and stability for rural broadband investment to continue which will afford the most rural and remote communities the opportunity to fully participate in e-commerce, trade, civic engagement, medical care and academic and career advancement.

#### INFANT AND CHILDHOOD NUTRITION

Mr. Latham: CDC reports that breastfeeding rates continue to rise, with the latest figures representing the largest annual increase in the last 10 years, and government educational campaigns have continued to appropriately focus on increasing national breastfeeding rate. At the same time, the CDC recently reported that 40% of moms start their infants on solid food too soon, some as young as 4 weeks. Please explain the Department's work to provide all caregivers with comprehensive information about infant nutrition, including balanced information on how to best to use infant formula to supplement breastfeeding or transition to solid food when necessary.

Response: An important benefit of the WIC Program is the nutrition education provided to participants, or to the parents/caregivers of infant/child participants. WIC staff are trained to provide timely and comprehensive nutrition education (including breastfeeding promotion and support), that reinforces the benefit of the WIC food packages and addresses numerous infant nutrition and feeding topics such as infant nutritional needs, breastfeeding, infant formula preparation and feeding, and transitioning infants to complementary (solid) foods.

Breastfeeding is a priority in the WIC Program and WIC mothers choosing to breastfeed are provided accurate breastfeeding information through counseling and breastfeeding educational materials. Breastfeeding mothers also receive one-on-one support through peer counselors. WIC breastfeeding education and support is consistent with the guidance of the American Academy of Pediatrics, which recommends exclusive breastfeeding for about six months, with continued breastfeeding for one year or as long as mutually desired by a mother and her baby. If a mother chooses to or needs to supplement with infant formula, WIC staff encourage her to supplement with a minimal amount of infant formula so the infant receives as much breast milk as possible and the mother maintains her milk production. WIC staff also emphasizes the importance of the food package for partially breastfeeding mothers and praise their efforts because any amount of breastfeeding provides health benefits to the mother and her baby.

The provision of complementary foods in the WIC food package begins at 6 months of age. Education about introducing complementary foods includes identifying an infant's developmental readiness for such foods, tips for introducing complementary foods, feeding skills, food preparation and food safety concerns, and how to prevent choking. WIC staffs promote healthy feeding behaviors in a manner relevant to the participant's individual needs and identified nutrition risks. To assist WIC State and local agencies in the design of their nutrition education services, the Food and Nutrition Service issued research-based guidance on how to provide effective nutrition education in WIC.

## USDA CATFISH INSPECTION PROGRAM

Mr. Latham: Mr. Secretary, I would like to discuss a program that has gained much attention as a prime example of duplication in federal programs - USDA's Catfish Inspection Program. As you know, this Committee has the responsibility to appropriate scarce taxpayer dollars to fund both USDA and FDA. That means we have to make tough choices to spend those dollars wisely so we can do the most good for the American people. The last thing we want to do is appropriate funds that will be duplicative.

Last week, the Government Accountability Office (GAO) identified the USDA Catfish Inspection Program as duplicative and concluded that repealing it would save taxpayers tens of millions of dollars without any risk to food safety. The President's FY14 budget proposal also calls for the elimination of the funding for the program, concluding that freeing up these funds will allow the USDA to be "better able to focus on its core mission of ensuring the safety of the Nation's meat and poultry supply." In a time of sequester, getting rid of wasteful spending just makes sense. Mr. Secretary, can you confirm that the Administration supports the elimination of the USDA Catfish Inspection Program?

Response: USDA continues to develop the final rule for inspection of catfish, as required by Section 11016 of the Food, Conservation, and Energy Act of 2008. Until a final rule is adopted, jurisdiction of catfish inspection remains with FDA.

## HORSE SLAUGHTER INSPECTION

Mr. Latham: Mr. Secretary, please explain why the Administration, with full awareness of the political and social controversy surrounding the issue of horse processing, decided to abandon its traditional and appropriately neutral position, in order to take sides on this issue?

Response: While the Administration recognizes that FSIS has an obligation under the Federal Meat Inspection Act (FMIA) to inspect the slaughter of horses, it also recognizes that public opinion about horsemeat consumption has evolved since 1906, when the FMIA was signed into law.

Mr. Latham: Was this decision to defund horse processing made by USDA with White House concurrence, or did the Department advise neutrality but was overridden?

Response: The Administration's position is to urge Congress to reinstate the ban on horse slaughter.

Mr. Latham: Was any current or potential litigation involved in this decision?

Response: While there is the potential for legal action on both sides of the issue, this had no bearing on the administration's decision.

**QUESTIONS SUBMITTED BY CONGRESSMAN NUNNELEE**

**BIOBASED MARKETS PROGRAM**

Mr. Nunnelee: Secretary Vilsack, there are concerns with USDA's discrimination against forest products in the Biobased Markets Program, especially when foreign competitors are included in the program. It is my understanding that USDA has excluded most forest products from this program by claiming these are mature products. Please explain what is meant by mature and how you account for the continuous improvement and change in the production and manufacturing of forest products.

Response: The USDA regulation outlining the procurement preference program was developed in part based on the conference report accompanying FSRIA, which states that the intent of section 9002 "is to stimulate the production of new biobased products and to energize emerging markets for those products." For this reason, USDA's regulation, "Guidelines for Designating Biobased Products for Federal Procurement," currently excludes mature market products from the program. USDA's Guidelines for Designating Biobased Products for Federal Procurement indicate in 7 CFR 3201.5(c) (2) that "USDA will determine mature market status by whether the item had significant national market penetration in 1972." USDA has adopted this same definition for the voluntary labeling program. While many forest products are mature, we recognize the need for as much flexibility as possible to develop new markets. As such, USDA proposed amendments to the BioPreferred Guidelines in May 2012 that would eliminate the mature market exclusion and focus the program on creating "new and emerging markets for biobased materials." The proposed rule seeks to provide additional flexibility in considering forestry products for inclusion in the BioPreferred program and continues to be consistent with the guidance provided in the FSRIA's conference report.

Mr. Nunnelee: I continue to be concerned with this false distinction, and believe that regardless of age or market share the Department should be promoting all agriculture and forest products, not pitting some against others. Two years ago, Secretary Vilsack announced that USDA would promote wood products. Do you think it is good policy to discriminate against forest products? Especially when foreign competitors are being promoted by this program?

Response: USDA's regulation, "Guidelines for Designating Biobased Products for Federal Procurement," currently excludes mature market products from the program. USDA does try to promote the use of wood products consistent with the legislative intent of the statutes we implement. USDA policy is to use domestically harvested wood products, ideally locally sourced and from National Forest System lands wherever practicable and feasible, as the preferred green building material for all USDA facilities and buildings.

Mr. Nunnelee: While there are some forest products currently recognized in USDA's Biobased Markets Program, many of these products are included in the program not because of their forest-based components but because they use other components like soy adhesives. Shouldn't USDA promote products that support strong rural economies, jobs, and America's forest and agriculture land owners regardless of how new or old the products are?

Response: USDA determines eligibility for the BioPreferred program based on an evaluation of market maturity as prescribed in current regulation. We evaluate forestry products on a case-by-case basis using the market maturity criterion regardless of whether or not they have non-forestry components. There are 45 forestry products currently in the BioPreferred catalog, which contains products in the Federal Procurement Preference Program and the Voluntary Labeling Program. Some of these products have soy-based components; others do not.

Mr. Nunnelee: With no mandatory funds provided in the farm bill extension how is USDA implementing the Biobased Markets Program--what elements are you implementing and what are on hold?

Response: USDA is implementing the Biobased Markets Program using discretionary funds. To the extent feasible, we are continuing to develop regulations to designate additional categories of biobased products for preferred Federal procurement. This effort involves regulation writing for products for which biobased content testing has already occurred. USDA is also conducting training and outreach activities locally in Washington, DC or by telephone. Without mandatory funding, no new testing is being conducted, and the labeling program by a third party independent certification organization was suspended on January 31, 2013.

#### BIOTECH PETITION REVIEW PROCESS

Mr. Nunnelee: Mr. Secretary, over a year ago you announced improvements to the biotech petition review process intended to significantly reduce the time for review and approval of new traits that growers want. The agency at USDA in charge of reviewing petitions received an increase in funding to help meet this goal. USDA has been slow on moving anything through the regulatory process or showing any concrete improvement in reducing timelines. When are we going to see the agency deliver on its promise to farmers?

Response: Among the first improvements to be implemented under the Blueprint for Stronger Service is process re-engineering for the Biotechnology Regulatory Services function. All petitions received after March 2012 are following the new petition process, and we estimate that these new process improvements will allow determinations of non-regulatory status on petitions in approximately 14 to 16 months. In streamlining the review for biotechnology petitions, USDA implemented a structured process, including standardized timelines for each step. We are already seeing progress related to the changes. The validation and acceptance stage for incoming petitions previously took a year on average but now are completed in 90 days. Plant pest risk assessments previously took an average of 15 to 16 months but now take, on average, 70 days. Evidence that these process improvements are yielding results include an announcement in February 2013 of the extension of non-regulated status for two genetically engineered crops under an expedited review process for plant lines that are similar to those previously reviewed. Additionally, during April 2013, USDA plans to announce the availability of a petition for public comment on a proposed determination of non-regulated status for alfalfa engineered to have lower lignin levels to improve its digestibility.

USDA is also developing environmental assessments for several additional petitions, some of which are taking slightly longer than projected mainly due to the volume of petitions at this step in the process. However,

APHIS expects to publish the first preliminary determinations for products under the improved process this spring. USDA fully expects to meet its new timelines once the petitions received before the new process was implemented have completed the process. A more predictable timeframe enables developers to bring products that are no longer regulated to market more quickly and provides farmers with more choices and access to new technologies sooner.

# QUESTIONS SUBMITTED BY CONGRESSMAN VALADAO

## HORSE SLAUGHTER INSPECTION

Mr. Valadao: Historically, Administrations have remained neutral in animal rights-inspired legislative and regulatory initiatives; including horse slaughter. It has been estimated that over 300,000 horses are abandoned in the US, not including BLM horses. USDA inspected horse processing facilities offer the best option for humane horse euthanasia as well as an economic return. Do you believe withholding funding for inspectors at horse processing facilities sets a precedent for similar actions against other species in the future?

Response: While the Administration recognizes that FSIS has an obligation under the Federal Meat Inspection Act (FMIA) to inspect the slaughter of horses, it also recognizes that public opinion about horsemeat consumption has evolved since 1906, when the FMIA was signed into law.

## RURAL HOUSING LOANS

Mr. Valadao: The FY13 enacted bill provided a program level for rural housing lending of \$858 million supported by budget authority of \$89 million. The FY 14 budget, despite lower subsidy rates, proposes a program level of \$472 million and budget authority of \$61 million. Are we in the midst of a phase out of programs serving lower income, more rural households? What would be the program level if Congress provided that same rate of budget authority as FY13?

Response: We must make decisions on how to serve rural families in the most efficient and least costly manner. We have eliminated the need to subsidize Section 502 Guaranteed Single Family Housing Loans by introducing modest user fees and delivering the program more efficiently with important tools such as the automated Guaranteed Underwriting System.

The proposed budget continues to make available direct loan funding by targeting assistance to the hardest-to-reach rural families. This includes those with the lowest income, Self-Help housing participants and those in isolated areas with limited access to affordable home loans. If Congress were to appropriate \$89 million in budget authority for the single-family housing direct loan program, we would be able to support a loan level of \$1.5 billion, compared to \$828 million in FY 2013.

## RURAL WATER/SEWER

Mr. Valadao: The budget proposes elimination of Rural Water-Sewer grants in favor of low-interest loans. As you know, USDA is the single largest source of grant funds for community facilities. In many cases small communities simply don't have the economies of scale to absorb the cost of 100% loan financing.

In 2013, rural California communities received \$11.5 million in Rural Water/Sewer grants. Now, the FY14 budget proposes to eliminate this program. Does the Department have data to indicate how the profile of communities served under a loan-only approach? What is the backlog of demand for this financing? How much of that is for loans vs. grants? In FY12 what was the average loan and grant combination?

Response: The information is provided for the record.

[The information follows:]

USDA is not proposing a loan-only approach. The 2014 budget does not propose to eliminate water and waste grants, which are funded at \$300 million. In addition, the budget proposes a total available program level of \$1.2 billion for water and waste disposal service loans. The loan program operates at a negative subsidy rate, allowing loans to be provided without the need for budget authority.

Interest rates for loans continue to be at a lower level than in previous years, making loans an affordable option for many rural communities. In 2014 we will continue to partner with other federal and state infrastructure funders to fund projects as affordably as possible for rural communities.

In FY 2012 the average loan across the program was \$1,517,966 and the average grant was \$772,560. In California the average loan was \$3,153,000 and the average grant was \$513,181.

The total backlog of pending loan and grant applications is \$3.4 billion. The backlog consists of 893 requests for loans totaling \$2.4 billion and 906 requests for grants totaling \$1 billion.

In FY 2012 the overall loan/grant ratio was 72 percent loan and 28 percent grant.

## QUESTIONS SUBMITTED BY RANKING MEMBER FARR

## FOOD AID PL 480 REFORM

Mr. Farr: The budget proposes a huge reform to PL 480. Yet there appears to have been next to no consultation with the Committees of jurisdiction in the buildup to this reform. I care strongly about global food security, and I've fought year-in and year-out for robust funding. With 870 million food insecure people around the globe, we cannot fail in administering this program, or, people will die.

I wish the Administration had been more forthcoming about their plans and solicited input on the front end from myself, this Committee, and others including the NGO community who care deeply about this critical issue, not just presented it in the budget request. If you care to make any explanatory remarks, I welcome them.

Response: We certainly agree about the importance of food aid. To be clear, we are not proposing to end food aid - just the opposite. The President's proposal permits more rapid, cost-effective food aid that still relies heavily on U.S. commodities, while expanding the ability to use the right tool for the right problem in more instances. The proposed food aid reform is critical to modernizing the U.S. approach to food assistance, using more effective tools and best practices, and helping to maintain the U.S. role as the world's leading humanitarian nation. With this proposal we have the ability to take meaningful actions that will allow two to four million more people around the globe to receive U.S. food aid than would have been served under Title II without seeking additional funding. In addition, the proposal reduces mandatory spending - and the deficit - by an estimated \$500 million over a decade. Since this proposal was first released in the President's Budget, the Administration has been reaching out to Congressional stakeholders as well as the NGO community to explain and discuss the proposed reforms.

## MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION &amp; CHILD NUTRITION PROGRAM

Mr. Farr: McGovern-Dole is an essential component of America's leadership in global food security. This school feeding and child nutrition program helps 4 million children and mothers in over 15 developing countries gain access to improved nutrition.

But the level of hungry kids far surpasses 4 million. Today, 66 million primary school-age kids go to school hungry. And under-nutrition contributes to 2.6 million deaths of children under 5 each year. The FY14 request for McGovern-Dole only includes a \$1 million increase to \$185 million.

How many more children and mothers will be fed with the \$1 million increase? What is your forecast for the increase in child and maternal hunger over the next year? How are you leveraging the efforts of International Organizations and NGOs to serve more mothers and kids?

Response: The information is provided for the record.

[The information follows:]

The needs are great. Every dollar we receive for the McGovern-Dole International Food for Education and Child Nutrition Program provides

additional assistance to children and mothers. The additional \$1 million for McGovern-Dole will provide about 23,000 more meals for children and mothers. Food aid costs are variable from year to year. With our FY 2014 Budget request, we anticipate assisting as many as 5 million children and mothers. Child and maternal hunger is a long term issue, and FAS monitors reports by the FAO and other organizations to track trends in malnutrition. The FAO information shows progress over the past two decades in reducing the number of malnourished people, and we expect further improvements through 2015. To ensure that McGovern-Dole funds contribute to the long-term progress, we require the World Food Program to support more effective use of available resources and NGOs to have graduation strategies as part of their McGovern-Dole grants. Investments from recipient national governments, communities, and parents are critical parts of the graduation plans. McGovern-Dole grantees are working with recipient countries to expand the investments over time, so that the school feeding programs will continue with local funding after USDA's funding ends. USDA closely monitors this progress and has noted growing investments in McGovern-Dole programs especially in Kenya, the Republic of Congo, and Bolivia.

#### RURAL HOUSING LOANS

Mr. Farr: The FY 14 budget proposes a 60% reduction in Rural Homeownership Direct Loans. The FY 14 budget indicates that the subsidy level has fallen by 54% so the cost per unit to the federal government is about \$3500.

Yet if the problem is not the subsidy rate, what precisely is that problem with the program? Is there any other federal homeownership program that can help families the way that Section 502 does? If not, where will these families go to get housing assistance?

Response: The Single Family Housing Direct loan program plays an important role in meeting USDA's commitment to improving the economic vitality and quality of life in rural America. No other Federal agency provides direct loans for homeownership opportunities.

However, we are able to serve significantly more people through loan guarantees than with direct loans, including low- and very-low income families. It is anticipated that at the FY 2014 proposed funding level of \$360 million for Section 502 direct, over 3,100 low and very low-income families will achieve homeownership. In addition, based on FY 2012 activity, we expect about 40,000 low- and very-low income families will receive loan guarantees in FY 2014 totaling about \$4.3 billion. This is about 10-times more low- and very-low income families than are served through the direct loan program and at a significantly lower cost to taxpayers. In light of budgetary pressure and the historically low interest rates, we believe even more low- and very-low income families can be served through loan guarantees.

To facilitate the move to loan guarantees, USDA intends to continue developing partnerships with qualified nonprofit organizations in rural areas to deliver program funds where they are needed most. We recognize that families living in more rural, poorer communities have difficulties accessing programs and services that promote long-term wealth. The Department anticipates that the assistance from nonprofit groups will provide targeted delivery of program funds to the most economically distressed and lower income communities.

## SELF-HELP HOUSING GRANTS

Mr. Farr: The budget proposes a substantial reduction in the Self-Help Housing program. Currently, more than 100 organizations across America participate in the Self-Help Housing program.

In California, there are 10 Self-Help Housing organizations. Over the next three years, with adequate Section 502 Direct Loans and Self-Help Housing Grants, these organizations project that they will produce some 1,800 units of affordable housing, with total development costs of \$330 million, creating some 5,500 jobs throughout rural California.

Last year I visited the Hillview Self-Help Housing development, in Hollister. Some 25 families had constructed three and four bedroom units with numerous energy efficient features, including photovoltaic systems that provide virtually all the electrical energy needs of each home. I was impressed by the quality of the units. I visited the development to attend a ceremony in which all the families received keys to their units. Because this is Self-Help Housing, the families worked together to build one and another's homes, forming a strong community.

In FY12, California received some \$12 million in Self-Help Housing funds. Now, the FY 14 budget cuts this program by 67 percent, from \$30 million to \$10 million. Please explain the basis for this reduction.

Response: The Department does not expect the 2014 budget request to adversely affect the overall viability or productivity of the Section 523 Mutual Self Help Program. The proposed \$10 million for the FY 2014 funding along with the proposed \$360 million for the Section 502 Direct Single Family Housing will ensure continued success of the program.

## RURAL WATER SEWER

Mr. Farr: The budget proposes elimination of Rural Water-Sewer grants in favor of low interest loans. As you know, USDA is the single largest source of grant funds for community facilities? In many cases small communities simply don't have the economies of scale to absorb the cost of 100% loan financing.

Does the Department have data to indicate how the profile of communities served under a loan on only approach?

Response: USDA is not proposing a loan-only approach. The 2014 budget does not propose to eliminate water and waste grants, which are funded at \$300 million. In addition, the budget proposes a total available program level of \$1.2 billion for water and waste disposal service loans. The loan program operates at a negative subsidy rate, allowing loans to be provided without the need for budget authority.

Interest rates for loans continue to be at a lower level than in previous years, making loans an affordable option for many rural communities. In 2014 we will continue to partner with other federal and state infrastructure funders to fund projects as affordably as possible for rural communities.

Mr. Farr: What is the backlog of demand for this financing? How much of that is for loans vs grants?

Response: The total backlog of pending loan and grant applications is \$3.4 billion. The backlog consists of 893 requests for loans totaling \$2.4 billion, and 906 requests for grants totaling \$1 billion.

#### RURAL DEVELOPMENT FUNDING

Mr. Farr: Since 2010 the reductions in budget authority for the Rural Housing Service, Rural Business Service and the Rural Water/Water loans and grants total at least \$750 million. During that same period of time, USDA discretionary budget has dropped by about \$4 billion.

In short rural development has borne a disproportionate share of the budget cuts. The FY 14 budget includes substantial savings in the budget from changes in policy that result in negative subsidy rates for certain loan programs. Are there some reasons that these savings were not put back into rural development programs that have been hit so hard?

Response: While there have been reductions proposed to some Rural Development programs, the total program level across the mission area is about \$8.2 billion higher than in FY 2010. Since 2010, Rural Development has maintained the water and sewer loan and grant programs at about \$1.5 billion while decreasing the cost to taxpayers by about \$250 million; doubled the single family housing guarantee program from \$12 billion to \$24 billion while decreasing costs by about \$173 million; and nearly tripled the community facility loan and grant program from \$545 million to over \$1.5 billion while decreasing costs by \$38 million.

#### USDA CATFISH INSPECTION PROGRAM

Mr. Farr: Secretary Vilsack, as you know, this Committee has to make tough choices about where to spend the precious dollars we are allocated. I want to talk about a program that has gained much attention in the media over the last couple of weeks as a source of duplication -- USDA's Catfish Inspection Program. With our limited resources to fund USDA and FDA, the last thing we would want to do is appropriate funds that end up duplicating what one agency already does.

Just last week on April 9th, the Government Accountability Office (GAO) identified the USDA Catfish Inspection Program as duplicative and concluded that repealing it would save taxpayers millions of dollars annually "without affecting the safety of catfish intended for human consumption." The President's FY14 budget proposal also calls for the elimination of this program's funding because if this funding requirement is freed up, USDA's Food Safety and Inspection Service "will be better able to focus on its core mission of ensuring the safety of the Nation's meat and poultry supply." Mr. Secretary, can you confirm that the Administration supports the elimination of the duplicative and wasteful USDA Catfish Inspection Program?

Response: USDA continues to develop the final rule for inspection of catfish, as required by Section 11016 of the Food, Conservation, and Energy Act of 2008. Until a final rule is adopted, jurisdiction of catfish remains with FDA.

#### LIGHT BROWN APPLE MOTH

Mr. Farr: The light brown apple moth has turned out to be not as serious a pest as USDA first thought. Last year, I asked you about progress in de-regulating LBAM in a way that keeps markets for the agricultural products coming from areas with the pest. This is more difficult because of the claims made by USDA of the seriousness of the pest and I am concerned that if USDA deregulates without educating other countries about the actual low threat the moth poses.

Please update this subcommittee on the department's efforts to reduce regulation based on LBAM and to educate and negotiate with other countries so that they do not impose even more burdensome rules?

Response: Since the light brown apple moth (LBAM) had an extensive host list, it had the potential to be a significant pest if left unattended. As a result, USDA does not plan to deregulate LBAM entirely. However, USDA has determined that certain agricultural commodities may be exempted from program requirements when industry practices are followed to mitigate the risk of spreading LBAM. Since 2012, more than 20 fruit and vegetable commodities from the regulated host list have been exempted, reducing the burden on producers. Additional commodities, such as citrus, are under evaluation in 2013. We have held discussions with Canada and Mexico to harmonize our lists of regulated commodities and have provided the technical data supporting our decisions to deregulate the specific commodities.

Mr. Farr: Several berry and vegetable growers in my district have been negatively impacted by the recent actions by Canada and Mexico to require additional trappings and inspections for the pest. Recognizing that Light Brown Apple Moth is still considered a pest of concern to many of our trading partners and USDA.

Please give the Committee the status of the discussions with Canada and Mexico regarding the export requirements of California crops from infested areas to these two countries?

Response: USDA has been holding discussions with counterparts in Canada and Mexico in an effort to convince them that certain commodities do not pose a risk of spreading LBAM based on the current, modern production practices being followed by growers in the United States. In January 2013, USDA presented a proposal to Canada requesting the removal of entry requirements for crops produced in LBAM-regulated areas and destined for British Columbia, Canada. Canada requested that these crops be produced and exported under a compliance agreement that required trapping and inspections. We have already reached agreement with Canada regarding the use of compliance agreements. As a result, it is no longer a requirement to trap for LBAM when fruits and vegetables from quarantine areas are being shipped to British Columbia. In addition, we have found a way for growers of greenhouse grown cut flowers and greenery to meet Canada's current requirements, and we are working on a proposal for field grown products as well. In February, USDA presented the same proposal to Mexico and we are awaiting their response.

Mr. Farr: Last year, USDA circulated a draft plan to deregulate LBAM but turn the regulation over to states.

If USDA is to deregulate light brown apple moth, what is to prevent states from adopting even greater restrictions on the movement of fruit and plants from California? Does this concern USDA and if so what steps are you doing to reduce the risk of burdensome regulation not based on sound science?

And just a rhetorical question - If LBAM poses a risk less than was first thought and if USDA may deregulate, why is USDA is listing LBAM among its "Top 15" pests. Saying that it "attacks" 250 plants does not seem well calculated to convince foreign countries or other states that USDA may reduce the regulatory burden on growers.

Response: USDA remains committed to the LBAM regulatory program and to ensuring that trade in California agricultural products continues uninterrupted. We will continue to partner with the California Department of Food and Agriculture, the counties, industry groups in California, and the National Plant Board (NPB) to evaluate all options for this program.

With our assistance, the NPB began developing a harmonization plan for the interstate movement of regulated articles from LBAM-infested areas in 2011, and APHIS assisted with these efforts. The purpose of the plan is to ensure that State-based regulations are consistent. The NPB plans to vote on whether to adopt the plan at their annual meeting in August. Although USDA has no plans to deregulate the LBAM, the harmonization plan would provide a framework for ensuring that trade in agricultural commodities from LBAM infested areas are not burdened by unnecessary requirements while safeguarding non-infested production areas and natural resources.

USDA continues to make significant progress on revising the list of regulated commodities to align with the demonstrated risks of spreading LBAM to new areas. Our analysis has determined that common industry handling practices for some commodities result in a low risk for spreading LBAM. APHIS developed the Hungry Pests campaign, including a list of 15 pests that can easily be spread through human-assisted movement as part of its "Invasive Plant Pest and Disease Awareness Month." The purpose was to highlight specific and easy ways the public can help prevent their entry and spread. APHIS included LBAM on the list because certain commodities, like nursery stock, pose a significant threat of carrying the pest and continue to be regulated. Other commodities, such as a variety of fruits, pose only a minimal risk, and APHIS is working to de-regulate these products.

#### SPECIALTY CROP PESTS LINE

Mr. Farr: The Specialty Crop Pest line item includes several pests of concern to California. What criteria does APHIS use to apportion the money between the pests and what assurance does this subcommittee have that the money we appropriate goes to the best use? Please provide a breakdown of spending for each specialty crop pest over the past three fiscal years.

Response: USDA recognizes the importance of the Specialty Crop Pests program to California producers and those in other areas of the country. Our goal for the program is to support the ability of specialty crop producers across the United States to grow, market, and export their products. When determining allocations for the pests addressed by the program, USDA considers the potential damages that could be caused by a particular pest or disease, the potential trade impacts that could result from its uncontrolled presence, the tools and regulatory strategies available for addressing it, and stakeholder support and cooperation. We look at how funds can be spent most effectively taking these factors into account. For example, exotic fruit flies are among the most devastating agricultural pests to affect specialty crops, and APHIS has effective tools and strategies to prevent and detect exotic fruit fly introductions in the United States. Additionally,

cooperators in the States most at risk for exotic fruit fly introductions—California and Florida—are strong partners in the program, as are international partners, Mexico and Guatemala. Accordingly, we continue to dedicate significant resources to fruit fly prevention and detection activities.

The information on spending for each Specialty Crops pest over the past three fiscal years using appropriated funding (Dollars in thousands) is provided for the record.

[The information follows:]

Program/Pest	FY 2010	FY 2011	FY 2012
Citrus Health Response Program	\$50,148	\$46,310	\$44,975
Critical Invasive Pest Response	6,126	1,875	2,141
European Grapevine Moth	--	--	510
Fruit Fly Exclusion and Detection	69,827	59,163	64,614
Glassy-winged Sharpshooter	24,381	28,482	32,541
Golden Nematode	824	816	806
Light Brown Apple Moth	966	1,061	6,427
<i>Phytophthora ramorum</i> /Sudden Oak Death	5,493	5,270	5,336
Plum Pox Virus	2,160	2,347	1,973
Pale Cyst Nematode	11,458	8,635	7,563
Total	\$171,383	\$153,959	\$166,886

#### POLICY RESEARCH CENTERS

Mr. Farr: In times of reduced federal funding, we need public policies that withstand fiscal scrutiny and meet policy goals at least cost with few unintended consequences. With that in mind, in FY2012 the National Institute of Food and Agriculture had a competitive grant solicitation to create Policy Research Centers.

These centers were charged with conducting public policy research on agricultural, rural economy, environmental and food policy issues. Five centers received funding to look at a wide range of issues including crop insurance and risk management, specialty crops, human nutrition and obesity and food safety.

These centers analyzed policies and regulations that will help inform the Farm Bill, conservation policy, the Clean Water and Clean Air Acts, tax policy, immigration policy and international trade agreements. Their funding runs out in FY 2014.

My question for you is: does USDA intend to have an additional grant solicitation for these innovative policy research centers?

Response: In the Consolidated and Further Continuing Appropriations Act, 2013, the Office of the Chief Economist received \$4,000,000 for grants or cooperative agreements for policy research under 7 U.S.C. 3155. These funds, less statutory reductions, will be used to provide funding to U.S. research institutions according to the criteria established in 7 U.S.C. 3155. The Office of the Chief Economist is currently considering appropriate policy research issues that are consistent with 7 U.S.C. 3155 and that meet the needs of the Department and other policy makers in the U.S. government.

Although the specific research issues are still being identified, in general OCE will target the funds toward institutions conducting research on the effect of public policies and trade agreements on the farm and agricultural sectors, the environment, rural families, households, and economies, and consumers, food, and nutrition. That research agenda will include such things as quantification of the implications of public policies and regulations, developing theoretical and research methods, collecting, analyzing and disseminating data for policymakers, analysts, and individuals, and developing programs to train analysts.

USDA has additional funding mechanisms that support research across agriculture through the National Institute of Food and Agriculture and through other agencies in the Department such as the Agricultural Research Service, the Natural Resources Conservation Service, and the Economic Research Service.

#### ORGANIC AGRICULTURE

Mr. Farr: Congress passed the Organic Foods Production Act (OFPA, Title XXI of the 1990 Farm Bill), it set the foundation for national standards covering the production and handling of "organic" Products.

It's been ten years since the rule was finished on developing organic standards for agriculture what progress and developments have you noticed for our farmers and ranchers?

Response: Organic certification allows farmers and ranchers to receive premium prices for their value-added products. Over the past 10 years, the number of certified organic farms and businesses in the United States has expanded to approximately 17,750, representing a 240 percent increase. Similarly, the retail value of the organic industry grew almost 9.5 percent in 2011 to \$31.4 billion. Organic foods continue to gain market share in the food industry, climbing to 4.2 percent of U.S. retail food sales in 2011.

USDA has supported this growth for farmers and ranchers by developing clear, enforceable standards. Organic farmers and ranchers must support biodiversity, conserve natural resources, and protect their products from prohibited substances. For operators to benefit from the economic opportunities associated with these requirements, the integrity of the organic label must be upheld. USDA has enforced a level playing field by taking action against farmers and businesses that violate the law and jeopardize consumer confidence in organic products.

To better support the needs of organic farmers, USDA has tailored several of its programs and services. For example, beginning in crop year 2014, organic crop producers will no longer have to pay a 5 percent premium surcharge on their crop insurance policies. Additionally, smaller farms and ranches can now access more flexible "microloans" up to \$35,000, providing them with additional financing options. USDA has also provided Federal and university researchers with more than \$140 million to help improve the productivity and success of organic agriculture.

To help open new markets for U.S. farmers and ranchers, USDA has streamlined trade with multiple foreign governments. These trade partnerships allow U.S. organic products to be sold as organic in Canada, the European Union, Taiwan, and Japan without maintaining certification to multiple standards. Expanding the reach of U.S. organic products creates

opportunities for small businesses and increases jobs for Americans who grow, package, ship, and market organic products.

Over the past decade, organic agriculture has provided economic opportunities for thousands of American farmers and ranchers. To help additional farmers and ranchers receive premium prices for their value-added products, USDA has launched the Organic Literacy Initiative. This outreach and training program helps prospective operators understand the requirements for obtaining and maintaining their organic certification and benefit from a myriad of USDA programs and services.

USDA is committed to supporting organic farmers and ranchers by developing clear standards, enforcing a level playing-field to support farmers and business producing organic food, and expanding trade opportunities to open up new markets for U.S. organic businesses.

#### ANIMAL WELFARE

Mr. Farr: I would be remiss if I didn't thank you for not including in your budget submission funds to inspect horse slaughter plants in the U.S. It makes sense to not waste tax payer dollars on a cruel practice that poses a potential human health risk because horses are treated with a wide range of drugs that are not approved for use in animals for food.

And the additional funding to enforce the long awaited "retail pet stores" rule which essentially does what a bill I have co-authored with Congressman Gerlach.

This very important proposed rule would require puppy mill operators who sell animals over the Internet, by mail, or by phone to be licensed and inspected just like those who sell to pet stores. We hope this final rule will be released soon. Where is that rule by the way?

Response: In May 2012, USDA announced a proposed rule to revise the definition of "retail pet store" under the Animal Welfare Act to close a loophole that has threatened the health and humane treatment of pets sold over the Internet and via phone- and mail-based businesses. APHIS has reviewed more than 75,000 comments both supporting and opposing the proposed rule. The final rule is currently under development.

WEDNESDAY, APRIL 17, 2013.

## **USDA RESEARCH, EDUCATION, AND ECONOMICS**

### **WITNESSES**

**CATHERINE E. WOTEKI, UNDER SECRETARY, RESEARCH, EDUCATION AND ECONOMICS**

**EDWARD B. KNIPLING, ADMINISTRATOR, AGRICULTURAL RESEARCH SERVICE**

**SONNY RAMASWAMY, DIRECTOR, NATIONAL INSTITUTE OF FOOD AND AGRICULTURE**

**MARY BOHMAN, ADMINISTRATOR, ECONOMIC RESEARCH SERVICE**

**CYNTHIA CLARK, ADMINISTRATOR, NATIONAL AGRICULTURAL STATISTICS SERVICE**

**MICHAEL YOUNG, BUDGET OFFICER, DEPARTMENT OF AGRICULTURE**

### **INTRODUCTION OF WITNESSES**

Mr. ADERHOLT. Good morning. Welcome to the Subcommittee. Thank you for joining us on the ag appropriations Subcommittee this morning and, of course, for the discussion on USDA's fiscal year 2014 budget request for research agencies.

I want to welcome Dr. Catherine Woteki, Under Secretary for Research, Education and Economics. And also joining the Under Secretary today we have Dr. Cynthia Clark, Administrator for the National Agricultural Statistics Service; Dr. Mary Bohman, Administrator for Economic Research Services; Dr. Ed Knipling, Administrator for the Agricultural Research Service; Dr. Sonny Ramaswamy, Director of the National Institute for Food and Agriculture; and welcoming back Dr. Mike Young, Mr. Mike Young, for USDA's Budget Director.

### **OPENING STATEMENT**

Thank you all for being here and for your presence before the subcommittee today. In particular we are interested in NIFA's budget proposal for AFRI and sustainable agriculture, organic, specialty crop and integrated research programs. We need to hear NIFA's explanation for why it did not comply with congressional direction regarding its budget proposal for these programs. This is an important part of answering the question of whether USDA is effectively meeting its broad mandate in research.

[The information follows:]

**Chairman Robert Aderholt**  
**House Committee on Appropriations**  
**Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and**  
**Related Agencies**  
**USDA Research, Education, and Economics Budget Hearing**  
**April 17, 2013**  
**Opening Statement As Prepared**

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Good morning. Thank you for joining us for the Agriculture Appropriations Subcommittee hearing to discuss USDA's fiscal year 2014 budget request for its research agencies.

I welcome Dr. Catherine Woteki, Under Secretary for Research, Education, and Economics and Chief Scientist for the U.S. Department of Agriculture (USDA), to the Subcommittee. Joining Under Secretary Woteki, we have: Dr. Cynthia Clark, Administrator of the National Agricultural Statistics Service; Dr. Mary Bohman, Administrator of the Economic Research Service; Dr. Ed Knipling, Administrator of the Agricultural Research Service; Dr. Sonny Ramaswamy, Director of the National Institute of Food and Agriculture; and Mr. Mike Young, USDA's budget director.

This Subcommittee has a strong tradition of supporting agricultural research, and I'm pleased that today we will be reviewing USDA proposal for FY 2014. USDA is proposing a total of \$2.812 billion, \$410 million increase over the fiscal year 2013 enacted level, for research programs. Within the proposal are significant increases for some programs, such as the Agriculture and Food Research Initiative (AFRI) and a new poultry science laboratory. There also are many decreases, consolidations and transfers. We will be exploring these in detail.

In particular, we are interested in NIFA's budget proposal for AFRI and sustainable agriculture, organic, specialty crop and integrated research programs. We need to hear NIFA's explanation for why it did not comply with congressional direction regarding its budget proposal for these programs. This is an important part of answering the question of whether USDA is effectively meeting its broad mandate in research.

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Mr. ADERHOLT. At this time I would like to recognize the gentleman from California, Mr. Farr, for any opening comments or statements he may have.

Mr. FARR. Thank you very much, Mr. Chairman.

Yesterday, the Secretary pointed out how important it was to invest in research to keep the seed corn of intelligence in America, and how these are the folks that manage all that, and I look forward to it.

I am just curious. One of the programs that the Secretary outlined, and I think I am very appreciative of his focus on it, is rural poverty in America and how we take the poorest areas, which have always been applying for grants or not even having the capacity to apply for grants, and focus on more of a strategic strategy. And I just wondered how all your research has been able to prioritize those areas, and perhaps telling us what are the poorest areas and how we might—because there is infrastructure issues. If you are going to publish a lot of the stuff, we know these rural areas don't even have broadband, don't have access to the Internet. And I hope that we are going to be using all of the capacity of our intellectual brain trusts here to help solve some of these problems.

Then I have some specific questions about specialty crops in my district.

But I thank you for having this hearing.

Mr. ADERHOLT. Thank you, Mr. Farr, for your comments.

Mr. ADERHOLT. At this time I would like to recognize Dr. Woteki for your opening statements for the record. Then we will go into questions. I look forward to hearing from you.

#### OPENING STATEMENT

Dr. WOTEKI. Thank you, Mr. Chairman, and good morning to you and to Ranking Member Farr. We are pleased to appear before you to discuss the President's budget request for fiscal year 2014 for the Research, Education and Economics mission area. Each of the agency Administrators and I have prepared written testimony that we would like to submit for the record, and I will briefly summarize the content of those five sets of testimony.

There is a common theme that runs through our testimony, and that is the support that these research agencies provide to our Nation's farmers, producers and consumers. We achieve that through a combination of cutting-edge research as well as public education and scientific literacy programs. We also, in the implementation of our programs, work closely with the land-grant universities in an historic partnership that we celebrated last year, the 150th anniversary of the Morrill Act.

But the challenges that are facing American agriculture are large, and they are also very clear, and those include expanding our ability to deliver safe and nutritious food to a growing population, both in the United States as well as globally; keeping agriculture production profitable; bolstering our ability to continue to export agricultural products; reversing the obesity epidemic; and ensuring that our natural resources remain available and abundant for future generations while responding to the threat of a changing climate.

Investing in agricultural research is critical to the innovations that keep our agricultural sector productive and that ensure positive benefits to our economy. Investments in agricultural science increase productivity that is essential for the long-term prosperity of our Nation. In fact, for every dollar that we invest in agricultural research, there is an overall return to the U.S. economy of \$20.

For the Research, Education and Economics mission area, the budget request for 2014 totals \$2.8 billion. For the Agricultural Research Service—ARS the request is \$1.28 billion, and the budget makes allocations of \$4.6 million to centralized information technology systems in ARS. It provides funding for priority initiatives that will improve production efficiencies through sustainable agriculture, helping farmers mitigate the effects of climate change, protecting crops at high risk of infestation from insects, and also continuing the development of alternative fuels and building on ongoing research on the earth sciences.

Last year in this Committee's report, they directed the Agricultural Research Service to develop a study and to prioritize the Agricultural Research Service's infrastructure investments. We provided that report to the committee last fall, and this budget requests \$155 million for the number one priority on that infrastructure renewal list. It is a replacement facility for the Southeast Poultry Disease Research Laboratory in Athens, Georgia.

The second agency's request is the National Institute of Food and Agriculture—NIFA and the budget proposes a funding level for NIFA of \$1.29 billion. This would fund the capacity-building programs at land-grant institutions as well as competitive grants programs.

For fiscal year 2014, the President's budget requests an increase to a total of \$383 million for NIFA's flagship competitive grants program, the Agriculture and Food Research Initiative. To improve transparency and accountability, the President's budget provides \$7.8 million to consolidate and modernize NIFA's grant management systems.

The President's budget reorganizes several science, technology, engineering and math programs, what we call STEM programs, into the Department of Education and the National Science Foundation, and this budget reflects transferring NIFA's STEM education programs to those agencies. NIFA, however, will continue to support secondary and post-secondary students in other ways.

The budget requests \$78 million for the Economic Research Service—ERS—to provide for economic analyses on all aspects of the agricultural enterprise, from scientific investments to food access to agricultural trade. And within the ERS budget request is a proposal for \$2.5 million for research innovations to improve policy effectiveness research and to strengthen behavioral economics research in the statistical use of administrative data.

For the National Agricultural Statistics Service, the budget requests nearly \$160 million that would enable the agency to fully fund the Census of Agriculture and complete that census sets of reports, as well as to reinstate several of the surveys that have had to be suspended this year attributable to sequestration and rescission.

Under the strong leadership of Secretary Vilsack, we are continuing to leverage the appropriated funds that we have by streamlining our business processes and identifying efficiencies. Collectively the agencies appearing before you have, for example, reduced our travel expenses by 52 percent below the 2010 level.

So, Mr. Chairman, we look forward to answering whatever questions you and members of the Committee may have, and we look forward to working with you to continue to support a world-class level of science and education at the Department of Agriculture.

Mr. ADERHOLT. Thank you for your testimony.

[The information follows:]

**RESEARCH, EDUCATION, AND ECONOMICS****Statement of Dr. Catherine E. Woteki, USDA's Chief Scientist and Under Secretary  
Before the Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies**

Chairman Aderholt, Ranking Member Farr, and members of the Subcommittee, my name is Catherine Woteki and I am the Chief Scientist and Under Secretary for Research, Education, and Economics (REE) at the United States Department of Agriculture (USDA). I am pleased to appear before you to discuss the President's fiscal year (FY) 2014 budgets for the REE mission area agencies. I am accompanied by the leaders of our four agencies: Dr. Edward Knipping, Administrator of the Agricultural Research Service (ARS); Dr. Sonny Ramaswamy, Director of the National Institute of Food and Agriculture (NIFA); Dr. Mary Bohman, Administrator of the Economic Research Service (ERS); and Dr. Cynthia Clark, Administrator of the National Agricultural Statistics Service (NASS). Also joining us is Mike Young, the Department's Budget Officer. Each agency has submitted written testimony for the record, which provides highlights of their proposed budgets.

The common theme you will find in each of our testimonies is the unwavering commitment of President Barack Obama, Secretary Tom Vilsack, and all those who work at USDA to support our Nation's farmers, producers, and consumers every step of the way from farm to dinner table. USDA has a long history of enhancing rural prosperity while helping to provide an abundant and diverse food supply to urban and rural America. One of the key ways these goals are achieved is through USDA's cutting edge research on genetics and genomics, and natural resources and environmental science, nutrition and food safety, and local and global food security. USDA has also invested in public education and scientific literacy. Our Action Plan is available to you at any time and can be found at <http://ree.usda.gov>.

As you know, this commitment to science is one that USDA made long ago. Last year marked 150 years since President Abraham Lincoln created the Department of Agriculture along

with the 150<sup>th</sup> anniversary of the signing of the Morrill Act—the legislation that created our Nation’s network of Land Grant universities. This partnership—which was subsequently expanded in 1890 to include institutions serving the African American community and in 1994 to include the tribal colleges—is critical in the advancement of agricultural science in the United States today. The internationally-recognized Extension system that is housed in these Land Grant colleges and universities is an important incubator for best practices in agriculture.

The challenges for the next several decades are clear: expanding and delivering safe and nutritious food to a growing population, keeping agricultural production profitable, bolstering agricultural exports, reversing the obesity epidemic, and ensuring that our natural resources remain available and abundant for future generations while responding to the threat of a changing climate.

Scientific research is the cornerstone of agricultural production and food security. Investing in agricultural research is critical to the innovations that keep our agricultural sector productive, offset a shrinking farm safety net, and ensure positive benefits to our economy. Agricultural productivity is a key component of net farm income, which last year was the second highest since 1980. Investments in agricultural science will increase the productivity that is essential for the long-term prosperity of our nation. In fact, for every dollar spent on agricultural research, \$20 is returned to the economy. In tough economic times, investing in agricultural science makes sense.

The challenge to be responsible stewards of taxpayer dollars is one that the REE mission area takes very seriously. While each of our four agencies serves a particular function and constituency, we also coordinate our work to maximize federal agricultural research funding. REE mission area agencies collaborate closely with scientists and researchers across the Federal government, industry, academia, and other stakeholders. These collaborations are particularly important in conducting scientific research that is not cost-effective for farmers or producers to undertake. Another benefit of collaboration is that it reduces the duplication of research endeavors.

These are some of the key principles that have been brought to bear as the President's FY 2014 budget request for the REE mission area was developed. This budget request reflects the belt-tightening and prioritizing that many Americans have been forced to make in a challenging economic climate. For the REE mission area, the budget requests \$2.8 billion for the four mission area agencies. I would like to spend some time highlighting some of our key proposed investments for 2014.

For the Agricultural Research Service, the President's FY 2014 budget requests \$1.28 billion. Investing in several aspects of the vast research agenda of ARS—from increases in important scientific topics to responding to emerging priorities and to an aging infrastructure—this budget request demonstrates the Administration's commitment to agricultural science.

For example, the budget request allocates \$4.6 million to centralize information technology (IT) systems in ARS. Ensuring robust systems to capture, track, and compile data will go a long way toward quickly and effectively explaining and building upon ARS's scientific achievements. These investments will also help reduce duplication and increase coordination of research investigations by enhancing their transparency.

The 2014 budget request also provides funding for priority initiatives that will improve production efficiencies through sustainable agriculture (\$10 million), help producers adapt to and mitigate the effects of climate change (\$10 million), protect crops at high risk of infestation from insects (\$6 million), continue the development of alternative fuels (\$5 million) and build on ongoing research in the earth sciences (\$4 million).

In addition, last year this committee's 2013 report directed ARS to study and prioritize ARS's infrastructure investments. The resulting ARS Capital Investment Strategy identified 21 low-condition facilities that house high-priority programs and that are in need of modernization over the next decade. The President's budget requests \$155 million for the number one priority, a replacement facility for the Southeast Poultry Disease Research Laboratory in Athens, GA. This laboratory is the country's leading facility for research on emerging and exotic poultry

diseases, including avian influenza, and the request will enable ARS scientists to advance this critically important area of research.

The above proposals represent investments in USDA's intramural science programs. USDA's extramural science is coordinated by the National Institute of Food and Agriculture (NIFA). The budget proposes a total funding level for NIFA of \$1.29 billion. NIFA funds capacity-building programs—grants programs that support a variety of research, education, and Extension initiatives at Land Grant institutions—as well as competitive grant programs to support scientists, researchers, and educators from across our Nation that are awarded after a rigorous peer-review panel selection process.

For fiscal year 2014, the President's budget requests \$383 million for NIFA's flagship competitive grant program, the Agriculture and Food Research Initiative (AFRI). AFRI's programs provide the largest investment in agricultural science across a number of disciplines that touch every aspect of American lives; from plant and animal health and production, to agricultural systems and technologies, to bioenergy and natural resources, to food safety, human nutrition, and health.

To improve transparency and accountability, the President's budget provides \$7.8 million to consolidate and modernize NIFA's grant management systems. This critical investment will allow NIFA to accurately quantify its research successes and help track research accomplishments as they transfer from the laboratory to our communities and our homes.

As a former dean of agriculture at a Land Grant university, I am a strong proponent of ensuring that the bench is deep from which to draw our next generation of farmers and scientists. The President's budget reorganizes several Science, Technology, Engineering, and Math (STEM) programs Administration-wide into the Department of Education and the National Science Foundation, thereby transferring NIFA's STEM education programs to those agencies. However, NIFA will continue to support secondary and post-secondary students in other ways. For instance, AFRI grants to university researchers routinely support fellowships to pre- and post-doctoral students working with principal investigators on these grants, representing about

\$6 million in FY 2010. Additionally, the President's budget proposes \$9.2 million for Hispanic-Serving Institutions (HSI) Education Partnership Grants Program.

Also, the 2014 budget requests \$22 million for sustainable agriculture, in particular, through the Sustainable Agriculture Research and Education (SARE) program. These funds will help SARE grantees continue their important research, education, and extension activities across the Nation. SARE grants focus on keeping American agriculture profitable while ensuring that we can remain responsible stewards of our environment.

In addition to intramural and extramural science, the REE mission area provides a valuable service to not only other USDA mission areas but also to America's agricultural producers, industry, academia, and non-governmental organization (NGOs) through its support of two key USDA research and statistical agencies, the Economic Research Service (ERS) and the National Agricultural Statistics Service (NASS).

The President's budget requests \$78 million for ERS. ERS conducts much-needed economic analyses of all aspects of the agricultural enterprise, from scientific investments to food access to agricultural trade. For example, the President's budget proposes \$2.5 million for "Research Innovations to Improve Policy Effectiveness" to strengthen behavioral economics research and statistical uses of administrative data. Behavioral economics research is based on the concept that humans do not always make the most rational choices, but instead are influenced by external factors like emotion or social pressure. ERS intends to apply behavioral economics to analyze and better understand food and agricultural programs and policies.

The 2014 budget requests nearly \$160 million for NASS. NASS is best known by farmers, ranchers, and other producers and processors across the Nation for its Census of Agriculture that is conducted every five years. The Budget Request for NASS will fully fund the Census of Agriculture at \$43 million. The 2012 Census is currently underway and close to 1.9 million responses have been received as of early April. The results of the Census will be published in 2014 and will provide data important to the agricultural industry as well as to the administration of Federal programs. Farmers and commodity markets have also come to depend

on the impartial forecasts of NASS's agricultural estimates that the agency compiles many times each year.

Mr. Chairman, the President's 2014 budget for USDA's REE mission area builds on critical investments in agricultural science. Under the strong leadership of Secretary Vilsack, we are continuing to leverage our appropriations by streamlining processes and identifying efficiencies throughout the Department. REE mission area agencies collectively have reduced travel spending, on average, by nearly 52 percent below 2010 spending. We have provided retirement options for those who are eligible and have greatly reduced hiring.

Mr. Chairman, these are difficult times. Like you, like the members of this subcommittee, we understand that all too well. But if we, as a Nation, are to maintain our leadership role in the world of agricultural innovation and productivity we have an obligation to support research, education, and Extension activities.

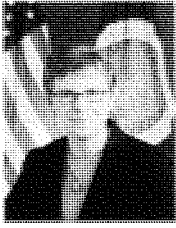
At a time when China and Brazil are ramping up their investment in agricultural research, we cannot afford to let ours be gutted, or worse still, be ignored.

It is too easy to take for granted the healthy, nutritious, and safe foods that are available to us, the clean air we breathe, the fresh water we drink, and even the clothes we wear. These are benefits that have resulted to a large extent from the discoveries made by federal investments in agricultural science.

Scientific endeavors are not the kind of activity that we can put a bookmark in and come back when funding is flush. Research requires ongoing investigation and commitment.

Mr. Chairman, I look forward to working with you as we continue to support a world-class level of science at the Department of Agriculture to maintain and increase the strength of U.S. agriculture.

Thank you again for your time and I would be pleased to answer any questions you may have.



**Dr. Cathie Woteki is Under Secretary for USDA's Research, Education, and Economics (REE) mission area, and the Department's Chief Scientist.**

Before joining USDA, Dr. Woteki served as Global Director of Scientific Affairs for Mars, Incorporated, where she managed the company's scientific policy and research on matters of health, nutrition, and food safety. From 2002-2005, she was Dean of Agriculture and Professor of Human Nutrition at Iowa State University. Dr. Woteki served as the first Under Secretary for Food Safety at the U.S. Department of Agriculture (USDA) from 1997-2001, where she oversaw U.S. Government food safety policy development and USDA's continuity of operations planning. Dr. Woteki also served as the Deputy Under Secretary for REE at USDA in 1996.

Prior to going to USDA, Dr. Woteki served in the White House Office of Science and Technology Policy as Deputy Associate Director for Science from 1994-1996. Dr. Woteki has also held positions in the National Center for Health Statistics of the U.S. Department of Health and Human Services (1983-1990), the Human Nutrition Information Service at USDA (1981-1983), and as Director of the Food and Nutrition Board of the Institute of Medicine at the National Academy of Sciences (1990-1993). In 1999, Dr. Woteki was elected to the Institute of Medicine of the National Academy of Sciences, where she has chaired the Food and Nutrition Board (2003-2005). She received her M.S. and Ph.D. in Human Nutrition from Virginia Polytechnic Institute and State University (1974). Dr. Woteki received her B.S. in Biology and Chemistry from Mary Washington College (1969).

**AGRICULTURAL RESEARCH SERVICE**

**Statement of Dr. Edward B. Knipling, Administrator  
Before the Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies**

Mr. Chairman and members of the Subcommittee, I appreciate this opportunity to present the Agricultural Research Service's (ARS) budget recommendations for 2014. The President's 2014 budget request for ARS' research programs is \$1,124,003,000.

Under its Salaries and Expenses account, ARS' 2014 budget request proposes \$148.2 million in new and expanded initiatives consisting in part of \$40 million for research related to earth sciences, and \$37 million to collect, manage, analyze, and share huge quantities of research data across the agency's entire food and agriculture research spectrum. These initiatives respond to the Office of Science and Technology Policy's challenge and priority to develop the research tools and infrastructure needed to handle the "big data" revolution and accelerate the pace of discovery to improve crop and animal production and health, food safety and security, human nutrition, bioenergy, agricultural sustainability, and adapt to the effects of climate change. The remaining component of the increase request are \$71.2 million in program initiatives proposed in the 2013 budget request which were not enacted. In addition to the new initiatives, the request includes \$6.4 million for pay costs. ARS' 2014 budget also includes a \$125.2 million reduction in ongoing research programs and a reallocation of those resources to help finance the new initiatives.

Under its Buildings and Facilities account, ARS' 2014 budget request proposes \$155 million to fully fund a new and modernized poultry biocontainment research facility in Athens, Georgia.

Additional information about the components of ARS' 2014 budget are as follows:

***Initiatives for Research Programs (\$148.2 million)***

*New Products/Product Quality/Value Added -- \$5 million*

Bioenergy

The price volatility of fuel and feedstock markets is threatening the viability of grain-based ethanol and oilseed-based biodiesel biorefineries. Some biorefineries have been forced to close their facilities and lay off employees. With the proposed increase, ARS will improve the viability of biorefineries by providing alternative biomass feedstocks and higher value biorefinery products and co-products.

*Livestock Production -- \$12.6 million*

Livestock Production/Health

Increasing world food demands are potential threats to global security. This initiative will enable ARS to apply and enhance its' "big data" expertise and infrastructure, to utilize animal genomics to improve animal productivity and feed efficiency. ARS will also conduct research to reduce antimicrobial resistance in livestock. In addition, ARS will develop integrated production systems that incorporate enhanced germplasm and management strategies to improve livestock, poultry, and aquaculture product quality.

*Crop Production -- \$15.8 million*

Agricultural Sustainability

Much U.S. agricultural production has been predicated on the availability of plentiful water and plant nutrients, and a relatively stable climate. Increasing competition for water and the high costs of plant nutrients along with an expected increase in climate extremes of temperature and precipitation require agricultural production systems to produce under less than ideal conditions. This initiative will enhance ARS efforts to develop integrated programs to increase the resiliency of production systems, such as by creating new crop varieties that use less water and nutrients, and providing more efficient fertilizer technologies.

### Floral and Nursery Crops

Floral and nursery plants constitute the third largest farm production value in the U.S. It is a multi-billion dollar segment of the economy at wholesale, and about 15 percent of total U.S. crop receipts. Yet its profitability, sustainability, and economic vitality is threatened by new pests and diseases, and inefficient production practices. This initiative will enhance ARS efforts to develop improved pest/disease control strategies, refine production system practices, and enhance environmental and resource management strategies to ensure U.S. farmers remain competitive in a global market.

### Maize, Other Cereals, and Perennial Grasses

ARS researchers and university collaborators are developing new crop breeding approaches that exploit genome sequence data. This progress must be accelerated by leveraging current “big data” approaches to utilize complex and voluminous information. This initiative will enable ARS to provide better data analysis to accelerate yields of maize, small grains, and perennial grasses grown for food, feed, and bioenergy.

### U.S. National Plant Germplasm System

The U.S. National Plant Germplasm System’s genebanks contain the sources of resistance to biotic and abiotic stresses, and new genes to improve the quantity and quality of our crops. To ensure that these resources are available for research and breeding, ARS must continue to acquire and conserve the germplasm that contain them; develop new screening methods for identifying favorable traits; distribute germplasm when it is needed; and safeguard these collections for future generations.

### *Food Safety -- \$15.7 million*

#### Food Safety Intervention Technologies

Food safety remains an essential priority in the U.S. and around the world. Foodborne outbreaks are a major source of morbidity, mortality, and economic devastation. The Centers for Disease Control and Prevention (CDC) estimate that the full cost burden to be \$152 billion per year. This initiative will enable ARS to develop new technologies for identifying and characterizing microbial pathogen strain differences, virulence, pathogenicity mechanisms, and host-pathogen

interactions for fresh produce and animal-related foodborne pathogens. ARS will also evaluate the role of alternatives to antibiotics, management practices on the prevalence of antimicrobial resistance, and emerging pathogens in food animals.

#### Detection Technologies for Crops at High Risk of Infection

Grain crops such as corn and cotton seed, ground nuts (peanuts), and tree nuts (pistachios, almonds) are subject to severe pre- and postharvest contamination by mycotoxins. A CDC report released in January 2013 reconfirmed that produce commodities (e.g., vegetables, fruits, and nuts) are the largest source of foodborne illness in the U.S. This initiative will enable ARS to develop, for implementation by regulatory agencies, technologies that will identify and characterize foodborne contaminants, both toxins and pathogens, in high risk produce commodities.

#### *Livestock Protection -- \$8.4 million*

##### Antibiotics in Farm Animals

There is increasing concern that some bacterial pathogen strains resistant to antibiotics used for human health may be traceable to the sub-therapeutic use of antibiotics in animal feed as growth promoters. This initiative will enhance ARS efforts to develop alternatives to antibiotics to prevent/control animal diseases, reduce antibiotic resistance in human pathogens, and enhance livestock production.

##### Veterinary Insect Genomics Information Center

Such a Center is needed to assemble “big data” sets that contain the knowledge about the relationships and biology of many kinds of insect pests that affect both man and animal, in order to address problems related to climate change, invasive species, and production risks. This initiative will enable ARS to establish the Center which will focus on biting insects and disease vectors such as mosquitoes, flies, ticks, gnats, lice, fleas, etc. This research will involve medical and other partners at Walter Reed Army Institute of Research, the CDC, and the Smithsonian.

*Crop Protection -- \$16.2 million*Soil Microbial Ecology

Management of plant pathogenic microbes and nematodes that live in the soil is critical to the production of agronomic and horticultural crops. For more than 50 years, most diseases caused by these pathogens have been managed primarily through fumigation of soil with chemical biocides, such as methyl bromide. The use of methyl bromide for soil fumigation, however, has been banned (with limited exceptions), and other fumigants and synthetic pesticides are under greater regulatory scrutiny. With the reduced use of methyl bromide and the increased use of replacement alternatives, new soilborne disease problems have emerged. This initiative will enable ARS to enhance plant health and productivity by providing additional management tools for soilborne plant pathogenic microbes and nematodes.

Invasive Pests

Invasive weeds, arthropods, and plant pathogens threaten agricultural production and natural ecosystems at an ever increasing rate. New species are introduced and distributed widely as world trade and international travel expand. Economic losses of agricultural crops and natural ecosystems due to invasive pests are in the tens of billions of dollars. This initiative will enable ARS to develop integrated pest management approaches to contain and control newly introduced species as well as reduce or replace chemical-based strategies for controlling established pest species.

Plant Disease Management

Plant diseases cause billions of dollars in economic losses each year to agriculture, landscape, and forests. These diseases reduce yields, lower product quality or shelf life, decrease aesthetic or nutritional value, and sometimes contaminate food and feed with toxic compounds. This initiative will enhance ARS efforts to improve the control of diseases attacking small fruit and nursery crops, potatoes, and wheat by developing resistant varieties and new disease management techniques. Also, ARS will enhance fungal disease protection in beans, sunflowers, and other crops.

### Insect Damage Reduction

Insect and related arthropod pests, and the diseases they carry, threaten our food, fiber, and natural ecosystems as well as the health of the pollinators for our Nation's crops. This initiative will enable ARS to develop "EntBase" to assemble, analyze, and exploit insect and other arthropod genomic data for controlling pests and protecting beneficial insects such as bees. "EntBase" will also support the Veterinary Insect Genomics Information Center.

### *Human Nutrition -- \$13.9 million*

#### Scientific Base for USDA's Food Assistance Programs

ARS conducts the only nationally representative survey of human food intake in the Nation, as part of the National Health and Nutrition Examination Survey (NHANES), in a longstanding partnership with the HHS National Center for Health Statistics. ARS is responsible for the dietary survey interviews and the processing of the data, which are essential to understanding food choices, and the nutritional and health status of individuals participating in SNAP, WIC, and child nutrition programs. The data is also used as the evidence base to set *Dietary Reference Intake (DRI)* values, and update the *Dietary Guidelines for Americans*. This initiative will enable ARS to strengthen the survey, the food composition database, and the DRI in support of USDA's food assistance programs and dietary guidance for health.

#### Human Nutrition Monitoring/Surveillance

Obesity is at a record level in the United States. Heart disease remains the number one cause of death, diabetes rates are increasing, and cancer incidence remains high. All of these conditions are linked in part to obesity and other consequences of poor nutrition. This initiative will enable ARS to strengthen its nutrition monitoring/surveillance programs and develop new tools which link USDA's food composition and consumption data to Federal nutrition policy and implementation guidance such as "MyPlate."

*Environmental Stewardship -- \$53.4 million*Natural Resources Enhancement

In agricultural ecosystems, physical and biological processes -- such as the cycling of carbon, water, and nutrients -- are linked with social and economic processes. To achieve sustainability, it is essential that we understand how these processes interact, and their impacts on the environment. Agricultural research must identify these linkages so that progress in one agricultural sector does not inadvertently create or exacerbate problems in another. This initiative will enhance ARS efforts to improve our understanding of how key agricultural system components interact, which in turn will lead to better agricultural production systems, adapted to changing climates and weather extremes.

Water and Soil Quality Effects of USDA Conservation Programs

Quantifying the actual benefits rather than roughly estimating the benefits of USDA conservation efforts is needed. Measured benefits will help set realistic timelines for water quality improvement goals (e.g., in the Mississippi River, the Gulf of Mexico, and the Chesapeake Bay) as well as soil quality goals. This initiative will enable ARS to develop more cost effective and less invasive methods to quantify water and soil quality goals of USDA conservation programs.

Climate Change

The impacts of climate variability and change on agriculture are becoming more acute, threatening yields, economic viability, and environmental quality needed for sustained production of crops and ecosystem services. This initiative will enhance ARS efforts to reduce agriculture's vulnerability to climate change by improving irrigation and other water use efficiency practices, and developing more climate resilient crops.

Long-Term Agro-ecosystem Research (LTAR)

This national network of landscape scale agro-ecosystem research sites will aid our understanding of the Nation's capacity to provide agricultural and other ecosystem-related goods and services under changing environmental conditions and changing demands on natural resources. The LTAR network includes 10 existing crop production and range research sites, some of which have data records back to 1912. This initiative will enable new research

undertaken at these sites to be coordinated to enable data comparability to understand climate variability effects and trends across a range of production zones. LTAR will interact and collaborate with other national ecological research networks, such as the National Science Foundation's already operational Long Term Ecological Research network (LTER), the National Ecological Observatory Network (NEON), and the Forest Service's network of Experimental Forests and Ranges.

#### Earth Observation and Environmental Data Activities

Understanding and addressing global problems -- such as, population growth, climate change, decreasing natural resources, and loss of productive farm land -- depends upon the availability of high quality, reliable, easily accessible earth observation data. A coordinated approach leveraging existing systems and building integrative capabilities is needed. This initiative will enable ARS in partnership with other USDA agencies to develop software tools to collect, organize, manage, retrieve, and preserve datasets, and use the USDA enterprise information resource hub to support and analyze research on the LTAR network, and other platforms.

*Library and Information Services -- \$7.2 million*

#### NAL Data Management

Information is the fundamental currency of scientific research, and yet researchers' data and findings too often remain stored in isolation. The increasingly interdisciplinary nature of agricultural problems requires pulling that information together in a common coordinated informatics structure accessible to other researchers and users. This initiative will enable ARS to provide a coordinated informatics structure which will enable researchers to access, compare, and use datasets, research findings, scientific collections, and scholarly publications across research sites and disciplines.

#### ***Proposed Pay Costs (\$6.4 million)***

In its 2014 budget, ARS is requesting \$6.4 million for employee pay costs. Funding a pay cost increase in Federal salaries after a three year pay freeze is critical for recruiting and retaining top level scientists and staff, conducting viable research programs, and carrying out ARS' mission.

***Proposed Research Program Reductions and Reallocations (\$125.2 million)***

ARS' 2014 budget includes \$125.2 million in program reductions and a reallocation of those resources, consisting of \$93.2 million from ongoing base research projects and \$32.1 million from extramural research projects. The resulting savings will be used to finance the agency's proposed high priority research initiatives and include the closure of one ARS location and five laboratories, and the consolidation of those resources with other existing ARS laboratories and locations.

***Proposed Initiative for Buildings & Facilities (\$155 million)***

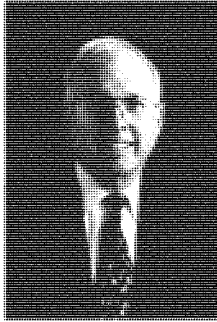
ARS proposes \$155 million for the planning, design, and construction of a modernized and replacement facility for ARS' Southeast Poultry Research Laboratory (SEPR) in Athens, Georgia which was constructed more than 30 years ago. A review of the agency's Capital Asset Requirements, requested by Congress and the Secretary of Agriculture, was completed last year. The review highlighted ARS' aging infrastructure and recommended modernization of selected facilities. The highest priority need is replacement of the Georgia laboratory which is the major facility in USDA for conducting research on exotic and emerging poultry diseases, including Avian Influenza and velogenic Newcastle disease. This new facility is crucial in continued efforts to protect our poultry industries from new and emerging influenza viruses and emerging/exotic poultry diseases which threaten the Nation's poultry industry and potentially U.S. public health. The new facility will provide state-of-the-art laboratories and necessary biocontainment capabilities needed to continue this critical research.

***Closing***

ARS' 2014 budget proposes to enhance USDA's existing research capacities, and build extensive, new partnerships and networks with other Federal, State, and local agencies, universities, and international scientists to address the enormous challenges of sustainably boosting food production and other agriculture-based economic developments in the face of changing climates and massive anticipated world population growth and food demands. Initial

investments will be made to establish the infrastructure needed to take advantage of the “big data” revolution. This is the key to accelerating the pace of discovery and the application of those discoveries to improve agricultural production, food safety and security, human nutrition, agricultural sustainability, and adaptation to climate change.

Mr. Chairman, this concludes my statement of ARS’ budget recommendations for 2014. I will be happy to answer any questions that the Subcommittee may have.



**Edward B. Knipling**  
Administrator

Dr. Knipling is a native of Texas, but grew up primarily in the Washington, D.C. area. He earned his B.S. in 1961 in forestry from Virginia Tech University. He received his M.A. in 1963 and Ph.D. in 1966 in plant physiology from Duke University.

Dr. Knipling served in the U.S. Army 1966-68, conducting research on remote sensing of environment. He began his career with the U.S. Department of Agriculture, Agricultural Research Service (ARS) in 1968 as a research plant physiologist in Gainesville, Florida. He has also served as Area Director for ARS in Stoneville, Mississippi (1975-78), and in Fresno, California (1978-82), and Associate Deputy Administrator, National Program Staff, Beltsville, Maryland (1982-88). Dr. Knipling served as Director of the Beltsville Agricultural Research Center, Beltsville, Maryland (1988-89) and served as Deputy Administrator of the National Program Staff, Beltsville, Maryland, until October 1996. Dr. Knipling served as Acting Administrator for ARS from October 1996 to November 1997. Dr. Knipling was appointed Associate Administrator of ARS in December 1997. Dr. Knipling was appointed Acting Administrator of ARS in December 2001. Dr. Knipling was appointed Administrator of ARS in July 2004.

**NATIONAL INSTITUTE OF FOOD AND AGRICULTURE****Statement of Dr. Sonny Ramaswamy, Director  
Before the Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies**

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to present the President's 2014 budget for the National Institute of Food and Agriculture (NIFA), one of the four agencies in the Research, Education, and Economics (REE) mission area of the United States Department of Agriculture (USDA).

NIFA works in partnership with the land grant university system, other colleges and universities, and public and private research and education organizations to support exemplary research, education, and extension that address many national issues from agricultural production, nutrition, and food safety to energy independence and the sustainability of our natural resources. These partnerships result in a breadth of expertise that can quickly and efficiently deliver critical knowledge through innovative systems.

**NIFA Institutes**

NIFA is organized into four institutes that administer Research, Education and Extension programs in the areas of: Institute of Food Production and Sustainability, Institute of Bioenergy, Climate, and Environment, Institute of Food Safety and Nutrition and Institute of Youth, Family and Community. NIFA Institutes continue to fund outcomes-driven programs, which address science priorities that will maintain the global preeminence of United States agriculture. The Institutes provide leadership and administer Federal assistance programs that bring together experts in various disciplines and functions to form multidisciplinary, outcomes-based teams on projects that have a global presence in a wide array of agricultural and related disciplines. The programs also are reflective of and congruent with, Farm Bill priorities and the investment in

research and development is providing transformational solutions to the Nation's practical challenges, creating jobs, and promoting local economies.

For example, in support of plant health and production and plant products, a 21-State Coordinated Agricultural Project (CAP) led by the University of California-Davis is improving U.S. wheat and barley. The project's 200 scientists, students, and technical staff generated an integrated network of public wheat and barley breeding programs, and have accelerated the development of improved varieties for the Nations' different cereal-growing regions. U.S. wheat and barley breeders released 14 new varieties, 12 new improved germplasms; 2 mapping populations, and characterized tens of thousands of breeding lines by using molecular markers.

In support of animal health and production and animal products, University of Missouri researchers are developing effective biofilters for cattle operations to filter and break down compounds that create pungent odors. A computer model allows producers to inexpensively estimate the extent of emission problems based on operational information. The development of technologies that promote environmentally safe and sound practices in concentrated animal feeding operations allows rural regions in northwest Missouri and surrounding areas to benefit from this source of economic opportunity without sacrificing air quality.

In 2001-2002, an outbreak of low pathogenic avian influenza in the U.S. resulted in the loss of over 4.5 million chickens and turkeys with a market value of about \$125 million. In support of this food safety, nutrition, and health priority, the University of Arkansas and an international, multidisciplinary research team developed an integrated biosensor system for rapid screening of avian influenza in poultry. The sensor provides an urgently needed, rapid, sensitive, and effective detection capability for controlling the spread of avian influenza.

In Alabama, scientists are supporting the agriculture systems and making technology a priority. Auburn University, Alabama A&M University, and Tuskegee University researchers demonstrated an estimated 10 percent reduction in applied nutrients and pesticides when Alabama farmers adopted modern precision agriculture tools. The reduction led to enhancing environmental stewardship at the farm level while providing savings to farmers. In 2011, State farmers saved over \$22 million on inputs through the adoption of guidance systems, variable-rate technology and automatic section controls.

### **Proposal**

The NIFA 2014 budget proposal for discretionary funding is \$1.29 billion. In particular, NIFA's budget includes increases for the Agriculture and Food Research Initiative and sustainable agricultural production practices, maintains capacity funding, and continues support of minority-serving programs, consolidates pest management programs, and expands support for extension and other programs.

In addition, as part of a Presidential Initiative to consolidate Federal Science, Technology, Engineering, and Mathematics (STEM) programs to use existing resources more effectively and in a more streamlined manner, the 2014 budget proposal transfers six NIFA STEM programs to the National Science Foundation (NSF) and Department of Education.

The 2014 budget request aligns funding and performance objectives with USDA strategic goals and the REE Action Plan. NIFA defines distinct performance criteria, including strategic objectives and key outcomes, with identified annual targets. As part of an integrated budget and performance process, NIFA conducts periodic portfolio reviews by external experts.

#### **Agriculture and Food Research Initiative (AFRI)**

The President's 2014 budget proposes \$383 million for AFRI. AFRI is NIFA's core competitive grants program for research, education, and extension. The program provides funding for projects that address critical issues in U.S. agriculture in the areas of (1) agricultural and food production and security; (2) foundational science; (3) food, agricultural, natural resources, and human sciences education and literacy initiative; (4) agricultural production and climate variability; (5) water and water resources; (6) sustainable bioenergy; (7) nutrition and health; and (8) food safety.

**Agricultural and Food Production and Security:** In 2014, programs will address pressing issues in food production that contribute to national and global food security while helping America promote sustainable agricultural production and biotechnology exports. Funding will support projects to improve the understanding of existing and new genomic information, classical breeding to develop new and improved animal breeds, and crop cultivars for increased food production and quality. Efforts will target activities that address the programs of U.S. agriculture, create mutual benefits domestically and abroad, and allow new opportunities for inter-departmental initiatives as appropriate. In addition, it will address detection, diagnostics,

prevention, and potential impacts of new and emerging weeds, diseases, arthropods, and other pests in crop and livestock production systems.

A CAP award led by the University of Nebraska is helping to decrease the number of cases of shiga-toxigenic *Escherichia coli* (STEC) illness through coordinated and integrated research, education and outreach activities. Over 50 researchers and 11 collaborating institutions across the U.S. are targeting the reduction of the seven most important U.S. STEC types in beef.

**Agricultural Production and Climate Variability:** AFRI will support activities on adaptive management and mitigation potentials of agricultural and natural resource systems to address climate variables such as precipitation and temperature, and their impacts as a result of violent weather extremes, floods, or persistent droughts. Efforts will help farmers, ranchers, forest owners, and rural communities adapt to climate variation, reduce greenhouse gas emissions, and increase carbon sequestration.

Under this challenge area, AFRI supports a Corn CAP with a consortium that includes Iowa State University, Lincoln University (Missouri), Michigan State University, Ohio State University, Purdue University (Indiana), South Dakota State University, University of Illinois, University of Minnesota, University of Missouri, University of Wisconsin, and USDA-ARS in Columbus, Ohio. The project is undertaking investigations on 20 field sites in 9 Midwest States that produce over 60 percent of the U.S. corn crop. It also is positioned to develop climate modeling and field sampling to help farmers adapt to changing climate and drought. Two extension agents in each State provide statewide training on best practices for extreme weather.

**Water and Water Resources:** Funding from the AFRI Foundational Science program in renewable energy, natural resources, and environment is helping provide drought information to every producer in the U.S. The information is tailored to common decision points and regional needs. The project team of Texas A&M University, North Carolina State University, and Purdue University (Indiana), are working with agricultural producers and decision-makers to develop publications and workshops to ensure that the agricultural community understands the uses and limitations of their projects for identifying drought triggers and for drought decision-making.

In 2014, NIFA is proposing a new challenge area under AFRI to focus on water and water resources, in part because the recent droughts through much of the continental U.S. require that crop and livestock producers have better ways to cope with such conditions. Funded projects will focus

on solutions for water management that link food, water, climate change, energy, and environmental issues. Funding will develop management practices, technologies, and tools for farmers, livestock producers, forest owners, and citizens to improve water resource quantity and quality. This program area will be coordinated with and leverage efforts in the Agricultural Production and Climate Variability and Sustainable Bioenergy challenge areas, and help solve critical water resource problems in rural and agricultural watersheds across the U.S.

**Sustainable Bioenergy:** AFRI sustainable bioenergy funding will support regional projects that link research for sustainable biomass production, logistics of handling feedstocks for biofuels, and education programs to develop skills needed in the workforce. Ongoing targeted research will focus on enhanced value co-products, crop protection, land-use changes resulting from feedstock production and conversion, implications of the development of bioenergy delivery systems on water, and identification of socioeconomic impacts of biofuels in rural communities in order to enhance sustainable rural economies.

NIFA supports the President's comprehensive plan to invest in alternative and renewable energy. AFRI is funding six CAPs that focus on the development of regional systems for the sustainable production of advanced biofuels and biobased products from non-food dedicated biomass feedstocks such as perennial grasses, sorghum, energy cane, oilseed crops, and woody biomass. These projects will ultimately enhance national energy security and rural prosperity through bioenergy.

**Nutrition and Health:** AFRI will support nutrition and health projects that focus on children and adolescents ages 2-19, to generate knowledge of the behavioral, social, cultural, and/or environmental factors, including the food environment, that influence childhood obesity. The data then will be used to develop and implement effective family, peer, community, and/or school-based interventions that promote healthy behaviors in children and adolescents to prevent overweight and obesity. For example, researchers at North Carolina State University partnered with communities in Western Harnett County, Lee County, and Southeast Raleigh to promote access to healthy foods and physical activity in low-income communities. Additionally, the Expanded Food and Nutrition Education Program (EFNEP) is being promoted through the AFRI project to create new EFNEP classes where needed.

**Food Safety:** NIFA is committed to advancing the safety of the U.S. food supply through new and improved rapid detection methods, pre- and post-harvest epidemiological studies, and improved food harvesting and processing technologies. NIFA will fund critical environmental and ecological research to improve our understanding of disease-causing microorganisms, antibiotic resistance, food allergies, and of naturally occurring contaminants in meats, poultry, seafood, and fresh fruits and vegetables. AFRI Food Safety funds also will address efforts to minimize antibiotic resistance transmission through the food chain, and microbial food safety hazards of fresh and fresh-cut fruits and vegetables.

Tennessee State University is studying ways to reduce illnesses from *Salmonella* and *Campylobacter* by improving consumer storage, handling, and preparation of raw poultry and poultry products. They are developing and evaluating research-based, consumer friendly, web-enhanced educational materials to educate consumers on practices to reduce their risk of food-borne illness. This research will identify risky practices and develop science-based and consumer-focused messaging to modify consumer behavior.

**Foundational Science:** NIFA has committed 38 percent of AFRI funding to foundational science. Funding will allow substantive research investments in AFRI's congressionally-established priority areas. In response to stakeholder inputs, NIFA proposes to initiate the AFRI-Critical Agricultural Research and Extension (CARE) Competition under Foundational Science. The CARE Competition will focus on short-term issues important to agricultural production. The program will prioritize funding for high quality plant and animal production and protection projects that focus on animal production, crop production, crop and animal product quality, and/or crop and livestock health management.

A beef feed efficiency CAP is bringing together researchers, educators, and extension specialists from seven Land-Grant Universities and the Agricultural Research Service (ARS) Meat Animal Research Center (Clay Center, Nebraska). This interdisciplinary effort will improve feed efficiency, thereby reducing feed costs that typically comprise 65-80 percent of the cost of raising livestock. Foundational Science will challenge the work under this CAP and other activities as we move forward to develop enhanced agricultural production practices, thus, contributing to the profitability of producers.

### **Food, Agricultural, Natural Resources, and Human Sciences Education and Literacy**

**Initiative:** NIFA is proposing this new initiative to enhance science, agriculture, food, and environmental and education literacy in schools and colleges across America that offer education in the food, agricultural, natural resources and human sciences disciplines. AFRI will support activities for pre-doctoral and post-doctoral education and research training through awards made to individuals pursuing research careers in NIFA research priority areas. The initiative will develop agriculturally-related science learning and engagement activities focused on the K-20 academic pipeline and will support agricultural-science related workforce careers, through student scholarships, fellowships and traineeships. Through this literacy initiative USDA seeks to ensure that the workforce needs are met in the food and agricultural systems, which are experiencing unprecedented growth.

#### **Sustainable Agriculture**

For 2014, NIFA requests \$23 million for sustainable agriculture activities. We propose to consolidate research and extension funding for the respective Sustainable Agriculture Research and Education Program, and Sustainable Agriculture Program into a single program called Sustainable Agriculture Research and Education Program to be administered under Research and Education Activities. The consolidated program will support systems research and farmer and rancher projects that address crop and livestock production and marketing, stewardship of soil and other natural resources, economics, and quality of life. Funds also will be used to develop technical guides, handbooks, education, and training for Cooperative Extension System agents and other agricultural professionals involved in the education and transfer of technical information concerning sustainable agriculture.

#### **Crop Protection/Pest Management**

NIFA has listened extensively to Congress, stakeholders, and partners and has modified administration of the pest management programs portfolio. NIFA solicited formal comments from the public in the spring of 2012 and received feedback from universities, commodity groups, grower associations, industry, and individuals. The input and comments encouraged consolidation of lines that had related, similar, or overlapping purposes. Among the many comments received about the 2013 budget proposal, a substantial number advised against the inclusion of the Minor Crops Pest Management program in the consolidation.

The 2014 Budget will maintain the Minor Crops Pest Management Program as a stand-alone program. However, to promote a more comprehensive approach to developing alternatives for Crop Pest Management, the Budget proposes to consolidate funding for the three special research programs under Improved Pest Control; the extension program Smith-Lever 3(d) Pest Management; and the integrated program Regional Pest Management Centers into a single integrated program, called Crop Protection/Pest Management to be administered under integrated activities.

In 2014, \$17 million in funding will support Improved Pest Management (IPM) projects that respond to pest management challenges with coordinated State-based, regional and national research education, and extension programs. This funding will serve as a catalyst to promote further development and use of IPM approaches and it will foster regional and national team building efforts, communication networks, and enhanced stakeholder participation. The program will focus on plant protection tactics and tools, diversified IPM systems, enhancing agricultural biosecurity, IPM for sustainable communities, and development of the next generation of IPM scientists. This consolidation will enhance NIFA's ability to support the synergistic research, education, and extension activities needed to ensure global food security.

#### **Capacity Programs**

NIFA recognizes the importance and the significant impact capacity funding has on our State partners and on the research, education, and extension activities they perform. Therefore, during these challenging times for financial resources, we request that funds for capacity programs be maintained at the 2012 funding level. NIFA requests a total of \$657 million for Hatch Act, McIntire-Stennis Cooperative Forestry, Evans-Allen Program, Smith-Lever Formula 3(b) and (c), and 1890 Institutions. This level of funding would help maintain current research and extension efforts in production agriculture by our state and university partners.

#### **Minority-Serving Programs**

**Grants for Insular Areas:** The budget includes \$1.7 million to enhance resident instruction, curriculum, and teaching programs in food and agricultural sciences in the insular areas of Puerto Rico, U.S Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, Micronesia, the Marshall Islands, and the Republic of Palau. Additionally, the program will support activities

to strengthen the capacity of institutions in these insular areas to carry out collaborative distance food and agricultural education programs using digital network technologies.

**Hispanic-Serving Agricultural Colleges and Universities Endowment Fund:** The

Hispanic/Latino community is the fastest growing sector of the American population. For 2014, the NIFA budget requests \$10 million to establish an endowment fund for the Hispanic-Serving Agricultural Colleges and Universities (HSACU). This investment is needed to assist HSACUs compete effectively for NIFA competitive grants. Support for this endowment fund will help in the development of a skilled and marketable student population from the HSACUs for employment in the food and agriculture sector.

**Extension Programs**

The 2014 budget proposes \$459 million in total funding for Extension activities. Funding is proposed for the New Technologies for Agricultural Extension Program to support eXtension (pronounced e-extension), a national web-based information and delivery system. With nearly 26 million page views and over 12 million visits to the public website, the Cooperative Extension System is reaching new and different audiences as well as serving traditional clientele better. Funding for the Children, Youth, and Families at Risk Program will be used to improve the quantity and quality of comprehensive community-based programs. NIFA also proposed funding to assist forest and range landowners and managers in making resource management decisions under the Renewable Resources Extension Act Program.

**Other Programs**

NIFA's budget proposal includes \$4.5 million in Federal administration costs to support modernization of our grant applications systems and process. Such improvements are desperately needed and will save proposal review time in the grant review process. NIFA proposes \$0.5 million in extension Federal administration costs for risk management education. NIFA will continue funding for most of the other research, education, and extension programs.

**Partnerships**

NIFA supports research, education, and extension that focus on meeting society's grand challenges. One way NIFA achieves this is by leveraging resources and expertise by partnering with other Federal agencies. We are partnering with the NSF, National Aeronautics and Space Administration, Environmental Protection Agency, and Department of Energy on interagency

climate change grants that focus on carbon, water, land use change, invasive species, and earth system models. These collaborations synergize research and outreach efforts, and result in cost efficiencies and increased awareness of research developments from multiple agencies. These efforts leverage funds from other agencies for the Nation's benefit, because a greater number of agriculturally-relevant projects are submitted and funded, resulting in an average dollar ratio over the years of greater than 5 to 1.

Similarly, the Ecology and Evolution of Infectious Disease Program connects NIFA with NSF, National Institutes of Health, and the United Kingdom's Biotechnology and Biological Sciences Research Council to enable new understanding in the transmission and prevention of infectious diseases of animals, plants, and humans using a broad, large scale multidisciplinary approach. In FY 2012, NIFA's \$1.95 million dollar investment was leveraged six fold, with seven of the twelve awards (58 percent) focused on reducing and/or preventing high priority agricultural diseases that affect poultry, cattle, swine, trout, salmon, and shellfish. Projects include both domestic and foreign animal disease (including foot and mouth disease), as well as studying how to minimize the development of resistance to antibiotics used in agriculture to safeguard people.

### **Conclusion**

In a time of limited resources, NIFA is working closely with, stakeholders and partners to leverage its human and financial resources to advance knowledge in the food and agricultural sciences and to develop solutions to emerging problems. We continue to streamline programs to maximize our research, education, and extension investments in America's agricultural future. With this budget proposal, NIFA will continue to lead food and agricultural sciences to create a better future for the Nation and the world.

Mr. Chairman, this concludes my statement. I will be glad to answer any questions the Subcommittee may have.



**Sonny Ramaswamy** served as professor of insect physiology at Mississippi State University for 15 years. He served as head of the Department of Entomology at Kansas State University from 1997 to 2005 and as University Distinguished Professor. In 2002, Sonny was named KSU Presidential Outstanding Department Head. During his time as head, the department saw unprecedented growth in extramural research support and graduate student enrollments. Sonny's proudest legacy at KSU is creating a top ranking department, hiring outstanding faculty, and envisioning and creating the KSU

Insect Zoo, which is thriving today and receives thousands of visitors each year. He was active in the community and university theater, Habitat for Humanity, and enjoyed riding his Harley-Davidson motorcycle, including a motorcycling trip in the Himalayas with his son-in-law, Andrew Park.

Sonny directed Purdue's agricultural research programs from 2006 to 2009, and facilitated multi- and trans-disciplinary research and education projects on bioenergy, climate change, water, agroecology, and food security and production agriculture—his proudest achievement was to help faculty, staff, and students work across disciplines to address societal challenges, and the concomitant success on several multi-million dollar grants.

In 2009, Sonny moved to Oregon State University to serve as the dean of the College of Agricultural Sciences and director of the Oregon Agricultural Experiment Station. At OSU, Sonny facilitated unprecedented success in extramural research support and donations to the College, and was able to work with stakeholders to mitigate the severity of state budget cuts. Sonny also facilitated the development of the College's strategic direction and restructuring. Capitalizing on the College's strength in enology and viticulture, brewing, and cheese making, he crafted a vision to create a Center for Innovations in Fermentation aka *iFerm*, with its first product being the Beaver Classic Comte-style artisan cheese.

On May 7, 2012, President Barack Obama appointed Sonny to serve as director of the United States Department of Agriculture's National Institute of Food and Agriculture (NIFA). As part of USDA's Research, Education, and Extension mission, Sonny oversees a NIFA portfolio of well over \$1 billion in funding for a wide range of extramural research, education, and extension projects that address issues related to food security, nutrition and childhood obesity, food safety, climate change, water, bioenergy, human sciences, and youth, family, and communities.

As a faculty member, Sonny's research was funded with grants from federal agencies, including USDA, NSF, NIH, EPA, and USAID, and from state agencies, commodity groups, and industry. He has published over 150 journal articles, book chapters, and a book, and has a patent. He has received a number of awards and honors, including being named Fellow of the American Association for the Advancement of Science, Fellow of the Entomological Society of America, and Distinguished Graduate Alumnus of Rutgers University.

Sonny received a Bachelor of Science in agriculture and a Master of Science in entomology from the University of Agricultural Sciences, Bangalore, India, and his doctorate in entomology from Rutgers University. He is also a graduate of the University of Nebraska's New Academic Chair's Program and Harvard University's Management Development Program.

**ECONOMIC RESEARCH SERVICE**  
**Statement of Dr. Mary Bohman, Administrator**  
**Before the Subcommittee on Agriculture, Rural Development,**  
**Food and Drug Administration, and Related Agencies**

Mr. Chairman and members of the Subcommittee, I appreciate this opportunity to present the Economic Research Service (ERS) budget recommendations for fiscal year (FY) 2014.

The mission of ERS is to inform and enhance public and private decision making on a broad range of economic and policy issues related to agriculture, food, the environment, and rural development. ERS is a trusted, go-to resource for objective information, data, and unique economic and social science analysis on these topics. The ERS program anticipates the needs of decision makers by applying economic and social science research to address important emerging issues of the day. Our research touches the obesity epidemic, child nutrition, drought impacts, trade talks, the family farm, food deserts, climate change, and rural population loss.

The key decision makers served by ERS's research program and products are those who routinely make or influence public policy and program decisions. ERS shapes its program to serve the needs of this clientele, which includes White House and USDA policy officials and program administrators/managers; the U.S. Congress; other Federal agencies and State and local government officials; and domestic and international agricultural, environmental, consumer, and other public organizations, including farm and industry groups interested in public policy issues.

Among the specific areas of research and data development that support our mission are global agricultural market conditions, trade negotiations, agribusiness concentration, farm business and household income, farm and retail food prices, foodborne illnesses, food labeling, nutrition, food assistance programs, agrichemical usage, livestock waste management, conservation, genetic diversity, technology transfer, and rural employment.

The President's FY 2014 budget request for ERS's research programs is \$78.5 million. The budget request funds ERS' core programs and supports a new program enhancement, *Research Innovations for Improving Policy Effectiveness*, which is related to key Administration priorities. Our proposed budget supports agricultural research investments that are critical to long-term economic growth and job creation.

Funding is requested to continue ERS's highest priority core programs. They include the following: Research exploring how investments in rural people, businesses, and communities affect the capacity of rural economies to prosper in the new and changing global marketplace; Research on economic issues related to developing natural resource policies and programs that respond to the need to protect the environment and the challenges of climate change while enhancing agricultural competitiveness; Research and market outlook on production agriculture, domestic and international markets, trade, and Federal farm policies to understand the U.S. food and agriculture sector's performance in the context of increasingly globalized markets; and Research to evaluate the Nation's food and nutrition assistance programs, to study the relationships among the factors that influence food choices and health outcomes, including obesity, and to enhance methodologies for valuing societal benefits associated with reducing food safety risks.

Investment in effective delivery of our work products is a high priority. We continue to improve how our customers can access our information. For example, we increased the effectiveness of our website this year by improving its underlying architecture, its organization structure, and its search functions. The new architecture has made us more agile and flexible in our ability to post timely, relevant research and data. We also converted our research-rich flagship magazine, *Amber Waves*, to an all-electronic publication and made it available on mobile devices.

ERS research that informs programs and policies eventually touches the individual American citizens who breathe the air, drink the water, live and work in rural towns, and plan their diets and food budgets. Our research, moreover, touches those who depend on school lunches, on SNAP, and on Federal and State rural development programs. Among others, it benefits small farms as well as small rural businesses, as they are affected by policies and programs.

### Addressing the Needs of Decision Makers

The agency's research program both anticipates and responds to decision makers' information needs through direct analyses and the development of analytic methods and supporting data. In FY 2012 ERS completed a strategic planning process to define core research priorities, establish communications priorities to raise visibility, and develop a civil rights strategy.

ERS conducts research on specific topics to assess the socio-economic consequences of public policies, regulations, and programs. These studies build on the Agency's analytic methods, data resources, and highly skilled staff. Recent examples of research conducted at the request of our customers include analysis of farm programs, the farm and rural economy, and food access.

ERS has expanded a previous congressionally-mandated study of food deserts—areas with limited access to affordable and nutritious food—by mapping areas across the country where low-income residents do not have easy access to a grocery store. In 2012, ERS published new research showing that low-income census tracts with low access to supermarkets tend to have smaller populations, higher rates of abandoned or vacant homes, and residents who have lower levels of education, lower incomes, and higher unemployment. In 2013, ERS launched the *Food Access Research Atlas*, which presents a spatial overview of food access indicators for low-income and other census tracts using different measures of supermarket accessibility and vehicle ownership. Industry can use the Atlas to identify underserved communities for new store locations, and health and nutrition researchers can use it to investigate the impact of food access and the food environment on food choices and health outcomes.

Responding to the Nation's priority to support veterans, reservists, and military families, ERS and USDA partnered with the Military Family Research Institute at Purdue University to convene the "Veterans, Reservists, and Military Families (VRMF) Data and Research Workshop." This workshop brought together federal data working groups, government researchers, and their academic collaborators to improve the common understanding of critical demographic and socioeconomic trends affecting the VRMF population, identify key data and research gaps, and begin to develop strategies to address them. To inform decision making on issues concerning

rural veterans, ERS added county-level economic and demographic data on veterans to the online data tool, *Atlas of Small Town and Rural America*.

The previous examples illustrate how ERS deploys its research expertise to address specific policy needs. Our research program also anticipates the information needs of decision makers by providing innovative economic and social science research on important issues of the day. The examples that follow document how customers and stakeholders use ERS analysis and data to make decisions.

#### Investment in Agricultural Research and Development

Meeting growing global demand for food, fiber, and biofuel requires robust investment in agricultural research and development (R&D) from both public and private sectors. In 2012, two ERS reports and an article in *Science* magazine examined global R&D spending by private industry in seven agricultural input sectors, food manufacturing, and biofuel, and described the changing structure of these industries. The private sector performed 53 percent of total food and agricultural research in the U.S.; over the long term privately funded R&D has grown faster than publicly funded R&D. Public sector funders and performers of R&D play a largely complementary role by emphasizing social returns in the selection of research topics and valuing rapid and widespread disclosure of new knowledge. Findings from these reports and the underlying research contributed to the recent report to the President on agricultural research from the President's Council of Advisors on Science and Technology.

#### Monitoring Farm Sector Financial Health

ERS has a leading role in monitoring the financial health of the farm sector, including the performance of farm businesses and the well-being of farm households. These core statistical indicators provide guidance to policymakers, lenders, commodity organizations, farmers, and others interested in the financial status of the farm economy. ERS's farm income statistics also inform the computation of agriculture's contribution to the gross domestic product for the U.S. economy. The two main measures of farm sector income are currently expected to be close to record highs in 2013. Net farm income is forecast to be \$128.2 billion, which would be nearly 14 percent higher than its 2012 forecast. Adjusting for inflation, this would be the highest net

farm income since 1973. Net cash income, forecast at \$123.5 billion, would be down nearly 9 percent from 2012, but still high by historical standards.

#### Impacts of the 2012 Drought

In the summer of 2012, the U.S. experienced one of the most severe and extensive droughts in 25 years. ERS staff rapidly compiled information on the impacts of the ongoing drought on food prices and consumers, farms, and the crop and livestock sectors. The initial version of the web page, “U.S. Drought 2012: Farm and Food Impacts,” was continuously updated to reflect changing conditions. Information from the ERS Drought Page supports Departmental decision making on responses to the drought, and was extensively cited in news media, providing a wideaudience with the latest ERS economic information.

#### Measuring the price of healthy food

A common explanation for the poor quality of American diets is that healthier foods are more expensive than less healthy foods. A 2012 ERS study compared prices of food using different measures of price based on food energy (\$/calorie), edible weight (\$/100 edible grams), and the price of an average portion (\$/average portion). Using nationally representative data sources, the study shows that healthy foods cost less than unhealthy foods when measured by the price based on edible weight and portion size, but not when based on calories. This analysis has been used to support decision making for USDA food assistance and nutrition programs, and findings from the report have been widely cited, helping to educate the public about the affordability of healthier food choices.

#### Adaptation of U.S. Agriculture to a Changing Climate

ERS research assesses the ability of farmers to adapt to changes in local weather, resource conditions, and price signals by adjusting crops, rotations, and production practices. A 2012 ERS study of the effects of increases in average temperatures worldwide suggests that, while impacts are highly sensitive to uncertain climate projections, farmers have the ability to adapt to changes in local weather, resource conditions, and price signals by adjusting crops, rotations, and production practices. Such adaptation, using existing crop production technologies, can partially

mitigate the impacts of climate change on national agricultural markets. Ongoing research expands the analysis to incorporate water availability.

#### Policies to Mitigate Population Loss in Rural Counties

People who return to the rural communities where they were raised (return migrants) are critically important to the hundreds of areas experiencing persistent population loss through outmigration. Rather than pursuing efforts to help these communities retain high school graduates, it is becoming increasingly clear that encouraging return migration may be a more fruitful policy strategy. ERS research showed that family-based motivations were listed first by the migrants themselves as the primary trigger for returning home, with only a handful of cases that could be described as motivated primarily by employment decisions or place ties. The ability to move back to a rural place most often hinged on securing employment; career constraints and limited employment options were critical barriers in many choices not to return.

#### Support for “Feed the Future”

ERS participates in activities that support the Administration’s Feed the Future global hunger and food security initiative. As part of its ongoing research program, ERS publishes an annual global *Food Security Assessment*, which includes all the Feed the Future countries. ERS conducts analysis of agricultural productivity and the factors that determine it in key developing and transition countries. ERS is collaborating with other U.S. government agencies and local partners to support Feed the Future activities in specific countries through assessment of market information systems and assistance to improve local capacity to collect and analyze better information. This activity also supports plans to strengthen agricultural statistics under the United Nations Statistical Commission’s Global Strategy to Improve Agriculture and Rural Statistics.

#### Examples of Studies Requesting Funding in 2014

The priority research initiative that ERS proposes for FY 2014 is:

\$2,500,000 for Research Innovations to Improve Policy Effectiveness: ERS proposes to adopt two innovative research strategies to address information gaps that hinder policy effectiveness. The first strategy is *behavioral economics* that helps policy makers understand why people behave and choose as they do. Many policies and programs are more costly and less effective

than intended because people do not behave the way we expect. Program participation is low, resources are not spent the way they were anticipated, and sometimes unintended consequences or outcomes arise due to actual consumer responses to implemented policies. Behavioral economics provides a research methodology and new insightful lessons to better understand human behavior that in turn leads to the potential for more effective policies.

ERS has successfully applied lessons from behavioral economics to improve the design of school cafeterias with the aim of increasing sales of healthy foods. Through this initiative, this research would be expanded to test how practical, inexpensive changes in the school environment, such as altering item placement to highlight healthy foods and priming via taste tests healthy options, can encourage students to make healthier food choices. Another application will support the design of conservation programs and environmental markets and identify designs for low-cost incentives to encourage (or “nudge” in behavioral economics terms) farmers to select more cost effective options.

The second strategy is *statistical uses of administrative data* or records collected by program agencies, program administration, or enforcement. Analysis of administrative data, either alone or in combination with survey data, can provide evidence-based findings to improve program effectiveness. Combining survey and administrative data can answer questions that neither type of data can answer alone. For example, administrative data may not allow researchers to understand why owners of environmentally sensitive plots of land are not enrolled in conservation programs because the data usually only includes program participants and not individuals who did not choose to or were not selected to participate. Survey data includes information from both participants and non-participants, but may not have detailed information about the program payments or conditions. Linking the two types of data could capture the relationship between the environmental characteristics of land, land owners, and program features.

The initiative develops ERS’ capacity to use, link, and apply administrative data for research and evidence-based policy analysis in several areas. Linking farm survey data with farm program and conservation data will improve understanding of the characteristics of farms that participate,

the types of practices they adopt, the potential overlap across programs, and the financial outcomes. Using foodborne illness outbreak investigative data to measure the effectiveness of traceability requirements in the Food Safety Modernization Act (FSMA) will test whether traceability leads to reductions in foodborne illnesses. Linking state-level administrative data from the Supplemental Nutrition Assistance Program (SNAP) and other safety net programs such as unemployment insurance can illuminate options for improved coordination of services.

ERS intends to look beyond the immediate horizon to conduct anticipatory research, the findings of which will be available when a topic “heats up.” ERS sets priorities by consulting stakeholders and focusing on research that capitalizes on the strengths of an intramural research agency. These strengths include: Access to unique or confidential data sources; Research or data that provides a national perspective or framework; Research that requires large and sustained investment; and Research that directly serves the U.S. Government’s or USDA’s long-term national goals that are not likely to be well known, understood, or valued in academia. Looking forward, drivers of job creation in rural America, issues arising from debate and deliberation on the farm bill, and the impact of globalization on U.S. agriculture motivate new and ongoing research programs that will deliver research findings in 2014 and beyond.

Linkages between rural community wealth and health care provision: The research, based on a survey to be conducted in FY 2013, will help improve understanding of the roles that rural communities play in recruiting and retaining health care providers and the impacts this has on rural economic development. Understanding such roles and impacts informs policy initiatives to address inadequacies in rural health care services and promote rural development.

An assessment of the extent to which USDA conservation programs provide “additional” environmental benefits (i.e., benefits that would not have been realized in the absence of incentives): This research provides evidence on alternative program rules that could be applied to conservation programs or to environmental markets to increase program performance by encouraging farmers to adopt additional practices.

Economics of the Chesapeake Bay Total Maximum Daily Load (TMDL) Limits for Nutrients:

EPA has established limits for nutrient discharges from point and nonpoint sources to the Chesapeake Bay. Agriculture is the largest single source of nutrients. This study assesses the cost of achieving a better nutrient balance within the watershed. Estimates of the cost of implementing nutrient management on cropland through policy instruments such as regulation, financial assistance for practice adoption, and pay-for-performance will be developed. Potential benefits of interstate point/nonpoint trading will also be evaluated. Research results can be used by the Environmental Protection Agency and state governments to lower the social and private costs of policies to improve water quality in Chesapeake Bay.

Agricultural export restrictions: The research will examine both the motives and market consequences (for trade volumes and prices) of these restrictions for major commodities and countries. It will also examine alternative policies to export bans, quotas, and taxes that are less market-distorting, as well as how regional trade agreements can constrain the use of these and other trade controls. Findings will provide U.S. trade negotiators with strategies to improve the potential for new agreements to expand markets for U.S. agricultural products.

Assess the cost effectiveness of crop insurance: Federal crop insurance is becoming the largest farm safety net program. However, budgetary pressures have led to calls for reductions in federal subsidies to crop insurance. ERS will examine the relationship between crop insurance subsidies and crop insurance participation and insurance coverage levels by type of farm and location. Research results will inform policy makers regarding potential impacts to program participation with varying levels of premium assistance.

The relationship between extended futures market trading hours and price volatility surrounding important news releases: The research will help to increase understanding of how recently expanded Chicago Board of Trade trading hours for grains, oilseeds and ethanol affect volatility and price discovery in these markets, and the implications (if any) for timing of USDA news releases. This work will help to ensure that new information released by USDA is incorporated into markets in an orderly and efficient manner, and could therefore have important implications

for the broad community of commodity market participants that rely on the *World Agricultural Supply and Demand Estimates* (WASDE) and other USDA reports to gauge market conditions.

Food purchase choices of low-income households: This research will use data from the National Food Acquisition and Purchase Survey (FoodAPS) that ERS conducted in 2012 with previous financial support from the Food and Nutrition Service (FNS). FoodAPS is designed to capture household information and food acquisition data from a nationally representative sample of 5,000 households. ERS will receive the data in FY 2013 and use the information to study: how the Supplemental Nutrition Assistance Program (SNAP) influences food purchases and food security; the influence of food access on food choice and dietary quality; the response of food purchases to changes in income and prices; the influence of dietary knowledge on purchase patterns and food choice; the relationship between food acquisition patterns and levels of food security; and differences in food acquisition patterns for SNAP households and low-income households not participating in SNAP.

Factors that influence the success of the Healthy, Hunger-Free Kids Act of 2010 (HHFK): ERS will continue to support research on the nutritional requirements for school meals from the HHFK that seek to improve children's diets and health, but also present problems of acceptance and raise concerns about cost. Research in this area will draw on behavioral economics, existing data, and a pilot study in Washington, D.C. schools.

Estimating Food Attributable Fractions of Foodborne Illness from Time Series Data: Reliable measures of the role of different foods in foodborne illness caused by specific pathogens are critical to government's and industry's ability to target food safety interventions effectively. USDA, FDA, and CDC have all identified a need to develop more reliable methods to estimate this relationship. This study will pioneer use of time series data on food consumption and foodborne illness to estimate the relative contributions of specific foods to illnesses caused by major foodborne pathogens.

Mr. Chairman, this concludes my statement of ERS's budget recommendations for FY 2014. I will be happy to answer any questions that the Subcommittee may have.

Biography: ERS Administrator Mary Bohman.



Dr. Mary Bohman is Administrator of the Economic Research Service. From 2005 to 2011, she served as Director of the Agency's Resource and Rural Economics Division. She joined ERS in 1997 and has served as Deputy Director for Research in ERS's Market and Trade Economics Division (MTED) and as Chief of MTED's Europe, Africa, and Middle East Branch. Other public-sector positions held include details to the White House Office of Science and Technology Policy and to USDA's Under Secretary for Farm and Foreign Agricultural Services. From 1990 to 1997 she was on the Agricultural Sciences faculty at the University of British Columbia.

Dr. Bohman received her Ph.D. from the Department of Agricultural Economics, University of California, Davis and her B.S. from the School of Foreign Service, Georgetown University.

Dr. Bohman is a member of the Agriculture & Applied Economics Association, Association of Environmental and Resource Economists, Global Steering Committee for the UN Global Strategy to Improve Agricultural and Rural Statistics, and the International Association of Agricultural Economists.

**NATIONAL AGRICULTURAL STATISTICS SERVICE****Statement of Dr. Cynthia Clark, Administrator  
Before the Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies**

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to submit a statement in support of the National Agricultural Statistics Service (NASS) 2014 budget request. NASS administers the U.S. Agricultural Estimates program, which began at the United States Department of Agriculture (USDA) in 1863. NASS also conducts the quinquennial U.S. Census of Agriculture, first collected by the Department of Commerce in 1840. Both the agricultural estimates and the census program align with the basic mission of NASS to provide timely, accurate, and useful statistics in service to U.S. agriculture.

**Major Activities**

*Annual Surveys and the Census of Agriculture.* The primary activity of NASS is to provide reliable data to meet the decision-making needs of the agricultural industry. The agency fulfills its mission through an annual agricultural estimates program and the quinquennial census of agriculture. Farmers, ranchers, and agribusinesses voluntarily respond to a series of nationwide surveys about crops, livestock, prices, chemical use, and other agricultural activities each year. Surveys are conducted during the growing season to measure the impact of weather, pests, and other factors on crop production. In many cases, NASS supplements crop surveys with field observations and measurements of plant counts. NASS also uses administrative data from other USDA, Federal and State agencies; data on imports and exports; and other survey data to ensure official estimates accurately represent agricultural inventories. NASS prepares estimates for

over 120 crops and 45 livestock items that are published annually in more than 400 separate reports.

*International Programs.* NASS provides technical assistance and training to improve agricultural survey programs in other countries in cooperation with other government agencies on a cost-reimbursable basis. The NASS international program focuses on developing and emerging-market countries in Asia, Africa, Central and South America, and Eastern Europe. NASS assists countries in applying modern statistical methodology, including sample survey techniques. Accurate information about other countries is essential for successfully marketing U.S. farm products throughout the world. NASS has been an important contributor to the UN Global Strategy for Agricultural and Rural Statistics, contributing to better statistics for USDA global estimates of food supply.

*Stakeholder Input.* NASS annually seeks input from the public on determining priorities and improving its products and processes. It consults with customers and stakeholders through meetings of the Secretary of Agriculture's Advisory Committee on Agriculture Statistics, interaction with producers, data users meetings with agribusinesses and commodity groups, special briefings for agricultural leaders during the release of major reports, and numerous individual contacts. In response to this input, NASS continues to improve the quality and accessibility of its reports. The agency has adjusted its agricultural estimates program and published reports, and has expanded electronic access capabilities. All reports issued by NASS' Agricultural Statistics Board are made available to the public at a previously announced release time to ensure equal access to the information. All national statistical reports and data products, including graphics, are available on the Web, as well as in printed form, at the time they are released. Customers can electronically subscribe to NASS reports and download them in an easily accessible format using standard software. NASS also provides free Rich Site Summary (RSS) and podcast feeds to interested data users, who receive an alert or audio clip when content of interest is posted to the NASS Web site. A summary of NASS and other USDA statistical data is produced annually in USDA's *Agricultural Statistics*, available on the NASS home page, on CD-ROM disc, or in hard copy.

*Collaboration with Other Agencies.* NASS conducts special surveys and provides consulting services for USDA agencies, other Federal or State agencies, universities, and agricultural organizations on a cost-reimbursable basis. Consulting services include assistance with survey methodology, questionnaire and sample design, information resource management, and statistical analysis. NASS has assisted USDA agencies in programs that monitor nutrition, food safety, environmental quality, and customer satisfaction. In cooperation with State Departments of Agriculture, land-grant universities, and industry groups, NASS conducts over 200 special surveys each year covering a wide range of issues such as farm injury, nursery and horticulture, equine, farm finance, fruits and nuts, vegetables, and cropping practices. For example, NASS conducts the Agricultural Resource Management Survey (ARMS) in collaboration with USDA's Economic Research Service. ARMS data are the primary input for the Nation's farm income statements—one of the country's federal principal economic indicators. These data are the basis for much of the targeted analysis conducted by USDA economists on the Farm Bill and other important issues.

*An Enhanced Research Program.* NASS is conducting a number of statistical and survey research projects to improve methods and techniques for collecting, processing, and disseminating agricultural data.

- NASS is examining model-based estimation techniques to improve the statistical reliability of published forecasts/estimates and error measures. Time series techniques are being utilized to model estimates of hogs and pigs as well as labor. Small area estimation techniques are being examined to model county-level estimates of cash rental rates for pastureland, irrigated cropland, and non-irrigated cropland; harvested corn and soybean acreage; and corn and soybean yield.
- NASS continues to improve efficiency with its fourth annual 48 state Cropland Data Layer (CDL) in 2013 for the 2012 crop year. The 2012 CDL was produced at 30 meter pixels and was completed with reduced resources, using only one satellite system due to the failure of the LandSat 5 satellite in December 2011. NASS continues to improve efficiency in this data series.

- NASS continues work on the NASA competitive grant titled “A National Crop Progress Monitoring System Based on NASA Earth Science Results.” Work has focused on developing and adapting crop growth models to determine the crop stages. Several vegetation indexes have been developed to improve the models.
- NASS is researching methods to identify operations for which it is most unlikely to obtain responses in future surveys. Methods to use this information to manage data collection are being evaluated with the goal of collecting more responses, more efficiently. Future research will also evaluate the possible methods of using this information in statistical estimation.
- NASS is evaluating the use of the Computer Audio Recorded Interview system developed for the U.S. Census Bureau. NASS has obtained the system code and is currently testing it in the NASS systems environment. The system is intended to improve data quality by allowing evaluation of both data collection instruments and interviewers.
- As part of the operations of the newly opened National Operations Center (NOC), quality metrics are being developed to allow monitoring of process productivity and quality. These metrics will ultimately be part of a comprehensive quality control and tracking system for multiple systems at the NOC.
- The National Agricultural Statistics Service released a new vegetation condition portal named VegScape <http://nassgeodata.gmu.edu/VegScape> for monitoring crops in this time of highly variable growing conditions. Vegetation indices contained in Vegescape have proven useful for assessing crop condition and identifying the aerial extent of floods, drought, major weather anomalies, and vulnerabilities of early/late season crops. Data for the indexes are from National Aeronautics Space Administration’s Moderate Resolution Imaging Spectroradiometer (MODIS) satellite and its thirteen years of data history has been loaded into Vegescape. This tool will allow users to monitor and track the weather anomalies effects on crops in near real time and compare to the history, at localized levels or across States.

Through recent research, NASS developed a computer-assisted personal interview (CAPI) process utilizing a “thin client” approach for data transmission. This approach ensures security because data are not stored on computers used in the field, but encrypted data is transmitted

through broadband technology directly to agency computers. As a result, enumerators now use CAPI tablets to collect in-person interview data in the field. Using the tablets is almost cost-neutral because it eliminates paper questionnaires and the associated mailing, keying, and handling. It also facilitates going directly to computer-based editing.

The growing diversity and specialization of the Nation's farm operations make producing accurate agricultural statistics more complicated. Research is under way to use CDL to redesign the area frame stratification procedures and to implement an improved area sample design in order to help NASS maintain good coverage of diverse agricultural producers and diverse commodities.

#### 2014 Budget

The agency's 2014 budget request is \$159.6 million, split between \$117.3 million for Agricultural Estimates Program and \$42.3 million for the Census of Agriculture Program. The funding level for Agricultural Estimates is necessary to restore a number of programs announced for suspension in 2013. The decrease in the Census of Agriculture is primarily due to the 2012 quinquennial census data collection. The 2012 Census of Agriculture is in its fifth year of the 5-year funding cycle, and the funding level reflects lower processing operational costs needed in FY 2014.

#### Agricultural Estimates

The hundreds of agricultural estimates reports NASS issues annually are critically important to assessing current supply and demand in agricultural commodities. Producers, agribusinesses, farm organizations, commodity groups, economists, public officials, and others use the data for decision-making. The statistics NASS collects and disseminates ensure buyers and sellers have access to the same official statistics at the same pre-announced time, making markets fair and preventing them from being influenced by "inside" information. The free flow of information minimizes price fluctuations for U.S. producers, makes commodity markets more efficient, and

makes our Nation's agricultural industry more competitive. The data has become increasingly important as producers rely more on world markets for their sales.

### Census of Agriculture

The Census of Agriculture is taken every five years and provides comprehensive data on the agricultural sector at the national, State, and county level. The Census of Agriculture is the only source for this information on a local level and is extremely important to the agricultural community.

- Agricultural organizations, suppliers, handlers, processors, wholesalers and retailers use detailed county-level information to better plan their operations.
- Agricultural policymakers use the valuable demographic database for developing public policy for rural areas.

In addition to the 50 States, NASS is also conducting the Census of Agriculture in Puerto Rico. NASS makes all data publicly available on its website.

Upon completing the collection, processing, and analysis of 2012 Census of Agriculture data in 2013, NASS will complete its summary and disclosure processes and prepare the catalog of Census Products for release beginning in early 2014. In addition to the in-depth large publication to be released in early 2014, a number of special tabulations are planned to be released at intervals to follow. Those include Congressional District Profiles, Watershed Publication, Race, Ethnicity and Gender Profiles; and Specialty Crops.

The 2014 budget request includes resources for NASS to start producing four vital Current Industrial Reports (CIR) that were formerly compiled by the U.S. Census Bureau but were cancelled at the end of 2011. These surveys are part of the U.S. Economic Census Program as is the Census of Agriculture and, as such, are mandatory and required by law.

This request supports estimation requirements for NASS, Economic Research Service (ERS), the World Agricultural Outlook Board (WAOB), the USDA Chief Economist, and the Census of

Agriculture. Private industry uses CIR data to monitor the effect of international trade on domestic production, evaluate the relationship between company and industry performances, market analyses, assess current business conditions, and plan future operations.

Using operations that report special practices or commodities in the Census of Agriculture, NASS plans to collect, under the 2014 budget request, additional in-depth data from the following two surveys:

**Farm and Ranch Irrigation Survey:** The Farm and Ranch Irrigation Survey was last conducted for the 2008 growing year, providing one of the most complete and detailed profiles of irrigation in the United States. It supplements basic irrigation data collected from all farm and ranch operators from the Census of Agriculture. Examples of data summarized from this survey include: quantity of water usage, distribution methods, water sources, equipment and energy expenditures, and crops produced using irrigation. This follow-on survey has been conducted in 1979, 1984, 1988, 1994, 1998, 2003, and 2008. There is tremendous demand for the Farm and Ranch Irrigation Survey data especially because of the 2012 drought in the midsection of the country. These survey results are critical to the country and will affect policy decisions for the next five years.

**Census of Aquaculture Follow-on Survey:** The Census of Aquaculture was last conducted for the 2005 growing year and provided a comprehensive picture of the aquaculture sector at the State and national level. This census collects detailed information relating to production methods, surface water acres and sources, products, sales, point of first outlets, aquaculture distributed for restoration, conservation, recreational purposes, and farm labor. This follow-on was scheduled for 2011 but was eliminated due to budget reductions. The industry has petitioned NASS to reinstate the census of aquaculture as soon as possible and NASS has included funding in the 2014 budget request to conduct this important survey.

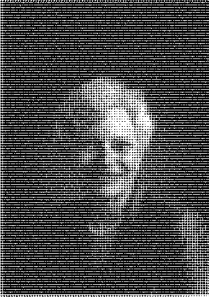
NASS is keeping pace with an increasingly complex agricultural industry to achieve cost savings through re-engineering processes and developing new statistical methodologies for its program.

NASS has enhanced its research program by hiring staff with expertise in survey statistics; developed new statistical models for its estimating program; examined computer editing applications to replace manual review; expanded modes of data collection to include tablet and web means of electronic reporting; implemented quality control in its routine operations; developed two new tools using remote sensing data -- CropScape and VegScape; and exploited computer intensive processing technology. These improvements ensure that NASS is able to continue to fill the urgent need for timely, accurate, and useful statistics in U.S agriculture.

This concludes my statement, Mr. Chairman. Thank you for the opportunity to submit this statement for the record.

## BIOGRAPHICAL SKETCH

Dr. Cynthia Clark  
Administrator  
National Agricultural Statistics Service



Dr. Cynthia Clark is Administrator of USDA's National Agricultural Statistics Service (NASS), overseeing the agency's efforts to collect and disseminate data on every facet of U.S. agriculture.

Dr. Clark is an accomplished statistician who is highly respected both in the United States and overseas for her expertise in survey research and development. Before joining NASS, she directed statistical research and survey methodology for the United Kingdom's Office for National Statistics and, prior to that, at the U.S. Census Bureau.

Dr. Clark has strong roots in agricultural statistics, having previously spent 13 years working on the Census of Agriculture and serving as the Director of the NASS Census and Survey Division. She has also served in numerous professional positions with the American Statistical Association (ASA), the International Statistical Institute (ISI) and the International Association of Survey Statisticians. Additionally, she is a fellow of the ASA, an elected member of ISI and a Fellow of the Royal Statistical Society.

Under Dr. Clark's leadership, NASS conducts hundreds of surveys and issues nearly 400 statistical reports each year with data on production, economics, demographics, and the environmental that is relevant to agriculture. NASS also conducts the Census of Agriculture every five years, providing the only source of uniform, comprehensive agricultural data for every county in the nation. She has led a transformational change at NASS impacting the agency business model, organizational structure, technology infrastructure, and statistical practice.

Dr. Clark was raised in Colorado, the daughter of an agricultural banker. She received a bachelor's degree in mathematics from Mills College in California, a master's degree in mathematics from the University of Denver, and masters and doctoral degrees in statistics from Iowa State University. Her husband, Glenn, grew up on a livestock farm and ranch in southeastern Idaho. She and her husband are the parents of six children and grandparents of fifteen. They make their home in McLean, Virginia.

## NIFA RESEARCH PROGRAMS

Mr. ADERHOLT. I know that since we will have several appear that will be speaking, the microphones are one-directional, so when you do speak, if you will just grab the microphone and speak into the microphone so that the reporter can make sure that they hear what you are saying as they take down the dictation.

Let me start out by mentioning, as it was alluded to earlier, Dr. Ramaswamy, the fiscal year 2013 House Committee report and the statement of managers accompanying the conference agreement directed the NIFA to include proposed funding levels and expected publication dates, scope, allocation level for each request for award for five research programs, including the Ag and Food Research Initiative, sustainable agricultural, organic, integrated and specialty crops. A similar change was included in the House and Senate versions on the farm bill. This is a very strong indication of congressional intent, yet NIFA did not comply.

The question would be simply why was that not the case, and why did they not comply with the directive?

Dr. RAMASWAMY. Good morning, Chairman Aderholt.

Mr. ADERHOLT. If you want to move that over towards you a little more.

Dr. RAMASWAMY. Good morning, Chairman Aderholt. Thank you very much for including us in this briefing on the hearing on the budget.

In response to your question, indeed we submitted the scope, and the RFAs were submitted with the explanatory notes, and that includes all of the RFAs to be coming out, the scope, the dates. That has been provided with the explanatory notes, sir.

Mr. ADERHOLT. What about the other aspect of it? What is the problem there?

Dr. RAMASWAMY. Essentially in the explanatory notes we have provided, so we have got the AFRI funding levels, the SARE funding levels, they are all in there. And, as you know, the mandatory programs that included the Specialty Crop Research Initiative, the Organic Research and Extension Initiative and the Biomass Research and Development Initiative are not included because the farm bill expired, and we do not have funding, we do not have authorization for it. So the explanatory notes are restricted to AFRI and SARE funding.

Mr. ADERHOLT. So when do you think that you can get this information to us?

Dr. RAMASWAMY. So the explanatory notes are available already. Maybe I should seek Mr. Young's comment on this, the explanatory notes. They were submitted on Monday?

Mr. YOUNG. The day the budget came out, yes, sir.

Dr. RAMASWAMY. Yes, the day the budget came out then.

Mr. ADERHOLT. Of course, the Subcommittee had directed last year, and, of course, that was before I took over as chairman of the Subcommittee, but my understanding was that there was a request for that, and that was not met, and that is where the concern is. We would like to maybe get that as soon as possible to clarify the question on the information that we would like on that. So we will be getting back with you to clarify that as we move forward.

Dr. RAMASWAMY. We will, sir.

#### INSULAR AREA FACILITIES AND EQUIPMENT

Mr. ADERHOLT. The fiscal year 2013 committee report directed the National Institute of Food and Ag to review the state of facilities and equipment for the insular areas and report to the committee by January of 2013 with its findings and recommendations. The Committee does not ask for this type of information without reason. We need it to form our funding and allocation decisions. What is the status of the report, and when will we receive it?

Dr. RAMASWAMY. So the report has been completed, and we went through—

Mr. ADERHOLT. It has been completed?

Dr. RAMASWAMY. Yes, sir. We had staff that went, actually visited some of these insular areas. The report has been completed, and it is under departmental review process. The agency itself has completed it, but the department is reviewing it right now, sir.

Mr. ADERHOLT. And can you tell us anything about the state of the facilities in the insular areas?

Dr. RAMASWAMY. Yes. The bottom line is that there are two recommendations that we are making. The first of the recommendations is indeed the facilities, the research facilities, need very significant updates, and new facilities need to be built as well in those areas. And this is across the board in all of the insular areas, and the report itself will contain additional information in there. But the bottom line is they are desperately in need of very significant improvements in their research facilities, and indeed for education as well, their teaching facilities as well.

The second challenge that we have got is often times these facilities, we need to make sure that we have clear title, that the institutions have clear title, so that if we were to invest dollars out there, and if new facilities are constructed, that the institutions will have clear title as well because of the ownership issues that we have got.

Mr. ADERHOLT. That is some of the recommendations that will be forwarded?

Dr. RAMASWAMY. Yes, sir.

Mr. ADERHOLT. I see my time is up. Let me recognize Mr. Farr.

#### ARS CAPITAL INVESTMENT STRATEGY

Mr. FARR. Thank you, Mr. Chairman.

The report that you have identified 21 capital investment—you have a capital investment strategy, and that 21 facilities of ARS need upgrading improvement. I know I am on one of those. What is the budget for those 21? The only one you put in this budget is the chicken research facility.

Dr. WOTEKI. Correct, Mr. Farr. The Agricultural Research Service estimates that for that first tranche of capital improvements, it would require in the range of \$100- to \$150 million annually to complete those replacements or upgrades of facilities.

Mr. FARR. For all 21?

Dr. WOTEKI. Yes.

Mr. FARR. You have done something different with the chicken research facility. You put it all in there. Normally in the past it has

been Congress appropriates little by little, and then you have to wait years to accumulate the total amount and then spend it. I mean, I think the idea of getting it built is a smart thing, but if you are doing \$150 million a year, does that mean all those problems would be addressed? How long would it take? How many years?

Dr. WOTEKI. Well, I think first it is good to point out that for a laboratory system of the size of the Agricultural Research Service, that our buildings and facilities are a continuous project. And you are correct that this year the approach that we have taken for the poultry research lab replacement is a one-time——

Mr. FARR. I understand that. The question is——

Dr. WOTEKI [continuing]. Which is different from the approach we have taken in the past.

Mr. FARR. So how long would it take you at \$150; you haven't asked for the \$150 million, so——

Dr. WOTEKI. The years beyond?

Mr. FARR. Yes.

Dr. WOTEKI. Well, we are going to begin preparing the outyears budgets, and we will continue to include requests for infrastructure replacement and renewal for ARS.

Mr. FARR. So I guess the question is would that \$150 million take care of the 21 priority capital investment strategy list, or do you need more than \$150 million?

Dr. WOTEKI. We need annually in the range of \$100- to \$150 million in order to complete our first tranche——

Mr. FARR. How many could you complete with \$150 million of the 21?

Dr. WOTEKI. Well, each project is going to be of varying size and scale, and I would like to ask if Dr. Knipling can provide you with some additional information on the plans for the outyears beyond 2014.

Mr. FARR. Yes. I am glad you have gone through the system. I think it is smart. The military uses that, and we suggested that you develop a priority strategy for capital outlays. It has always just been done by earmarks. This is now based on merit. The question is now you have prioritized 21 facilities that need attention in addition to some that you are closing.

If you are going to propose now that Congress appropriate or put into the capital fund \$150 million a year, how many of those 21 can you rebuild or upgrade or whatever the plans are for them with \$150 million? How far down the list can you get?

Dr. KNIPLING. This year, as has been pointed out, \$155 million for the priority number one facility. Of course, we will have to wait year by year to see what the President's budget will be, but it was our intent and the recommendation of the Capital Investment Strategy Report that we seek a line item so we can systematically year after year——

Mr. FARR. I know all that. Just tell me how long.

Dr. KNIPLING. The 21 top priority facilities, that is the lowest-condition facilities in need of modernization that are also housing our highest-priority facilities, we have sequenced those over a period of 9 years or nine funding increments at roughly \$100 to \$150 million apiece. As we move through that queue list, other facilities

in the priorities would move up in the queue list. We see this as an ongoing, somewhat forever process to modernize our facilities in a systematic manner on about a 40-year cycle.

Mr. FARR. So is it going to be your proposal to, as you are doing with the facilities, just put all the money into one facility a year?

Dr. KNIPLING. In some cases, lower-cost facilities, we might do two, three or four per year. For example, the report does call for one facility this first year; the second year, two facilities; the third year, I think there are three facilities. It depends on the facility itself and the scope and the cost of modernization.

Mr. FARR. I just want to know if I am going to live long enough to see the Salinas facility, which was a Quonset hut built in 1941; can't even get the researchers because the conditions are so bad, can't get the equipment because you can't house it in the buildings that can't be heated and cooled and all the things that high-tech equipment needed to be, in the middle of the richest agricultural center in the world.

Dr. KNIPLING. The Salinas facility is on that priority list. I believe it is in the fourth cohort of that 21 list.

Mr. FARR. I hope I am alive.

All right, thank you, Mr. Chairman. My time is up.

#### IMMIGRATION POLICY AND FARM LABOR

Mr. ADERHOLT. Mr. Valadao.

Mr. VALADAO. Thank you, Mr. Chair.

In the USDA's 2012 report on the potential impacts of changes in immigration policy on U.S. agriculture and the market for hired farm labor, a hypothetical increase in the supply of temporary non-immigrant, foreign-born farm workers would lead to an industry-wide increase in total output and exports. There were more substantial increases with more labor-intensive sectors, such as fruits, tree nuts, vegetables and nursery products. These findings were based on a 156,000-person increase over the 15 years and the employment of temporary nonimmigrant agricultural workers, such as the current—those currently in the H-2A program.

Your model was based upon the base year number of 48,336 workers in H-2A from 2005. This simulated event would indicate a significant increase in H-2A equivalent visas, yet still far below the total number of foreign-born agricultural workers. If we continue to grow the supply of legal temporary workers past the 156,000 number to match closer to that actual demand for all agriculture workers, would we continue to see these increases in agricultural output?

Dr. BOHMAN. Thank you.

You are referring to a study conducted by the Economic Research Service, and your report jives with what my understanding of the study is, that an increase in temporary workers has a benefit to all U.S. agriculture, and especially labor-intensive products. And it does use the model of the U.S. economy, and all models become less and less reliable as you push out further and further beyond the existing reality. But I believe it is a robust result that labor shortages disproportionately have negative impacts on labor-intensive products. It is kind of common sense. The model confirms that and quantifies the effects, and it would find similar results as you ex-

panded the number of workers. But I would put a caveat that, as with any model, the further you get from the current status, you have to take into account decreasing reliability.

Mr. VALADAO. One more. In that same 2012 report, the USDA also simulated a decrease in the unauthorized labor supply. This would have been caused by some sort of unspecified policy implemented, which basically means some sort of immigration reform that would directly affect farm workers. In the simulation, a 34.1 percent reduction in employment of unauthorized workers, the USDA found a 3.7 to 4 percent increase in the employment of U.S.-born and foreign-born workers, foreign-born permanent resident workers.

Besides many of them staying at their current employers, where would the rest of the now authorized labor be heading according to your predictions? Would we expect an exodus from farm labor? If so, how many?

Dr. BOHMAN. Yes. So in the second scenario in our research, we looked at a simulated decrease in unauthorized labor across the entire U.S. economy, and there were impacts, as you describe, on the agricultural sector, especially on labor-intensive products that saw a loss in their labor supply, a decrease in production and exports.

What happens to the overall labor is that you see some increases in wages where you have a shortage, but you also see a restructuring of the economy. As there is a loss of these unskilled workers, there is an overall movement downwards on the skill level of the U.S. labor force such that on balance you see a small decrease in total U.S. gross national product or income because those effects outweigh any increases in wages for the group of people who move into those jobs.

Mr. VALADAO. Thank you.

Mr. ADERHOLT. Ms. Pingree.

#### LOCAL FOODS

Ms. PINGREE. Thank you all for your presence, and your work and your testimony this morning. I appreciate the work you do for farmers and for the USDA.

My first question is about the USDA's fiscal year 2014 budget. I see it calls for a request in increase in the funding for AFRI, Agriculture and Food Research Initiative, to \$383 million, an increase of \$117 million above fiscal year 2013, which I think is a good thing in the budget.

One of the target areas that the funding would be used for is nutrition and health, specifically in developing and increasing the consumption of healthy foods. Since I am of the belief that local foods by nature give people the opportunity to have healthier food than other processed foods, and vegetable, fruit and nut farms account for about 65 percent of local food sales, does the Department have any plans to help support local food sales? Should Congress go ahead with the increase in funding? And are you planning to conduct any further research on the various aspects of local food systems?

Dr. WOTEKI. Let me initially respond to your question, Congresswoman. Through the AFRI program we have been providing competitive grant support. As you indicate, we are asking for increases

in nutrition and health, and that increasing—the purpose of these research programs is to provide the evidence base for program decisions and for policy decisions.

We support research that goes to improve a farmer's ability to produce fruits and vegetables, nuts, other health-promoting foods and the local markets for them through a variety of different mechanisms that include actually all of the agencies that are reflected here, from the statistics that the National Agricultural Statistics Service develops, through the kind of economic analyses that ERS has done on local markets and farmers' desirability to enter into the kind of production that it is going to provide for those local markets for them.

AFRI is a way that competitive grants are provided. There are also formula funds that go to support the State agricultural experiment stations and the extension services that have also played a role in providing the research base as well as the education for farmers desiring to get into these types of production operations. And ARS, through its laboratory infrastructure, also provides for some long-term infrastructure and long-term research that is supporting fruit and vegetable production.

So, in essence, all four of the agencies in the mission area have been playing a role in providing the background evidence base for programs and policies in support of local foods.

Ms. PINGREE. I appreciate your answer and appreciate that that has already been part of your work. Would you anticipate if there is increased funding, you will be able to see more of the same here?

Dr. WOTEKI. Yes.

Ms. PINGREE. Great.

Dr. CLARK. If I could add, there are questions on the Census of Agriculture relating to producers who sell to local markets, and if there is funding in the future, we would be able to target that population and do a follow-on survey to the census of agriculture.

Ms. PINGREE. So you are currently asking those questions is what you are saying?

Dr. CLARK. Yes, the questions are on the survey.

#### LOCALLY ADAPTED SEEDS

Ms. PINGREE. Great. Great.

One other quick question, I don't have a lot of time, but I am actually concerned about farmers' dwindling options for locally adapted seeds. I also am of the belief that for agriculture to be successful in the long term, farmers need access to seeds that are adapted to local climate and pest conditions, and I think all of you know scientifically there are climatic changing conditions and pest challenges that are constantly changing.

The 2008 farm bill required USDA to make conventional plant and animal breeding a priority within the AFRI program. Can you talk a little bit about what the USDA is doing to promote breeding programs for locally adapted seeds and public cultivars, and also whether or not you intend to include an AFRI subprogram for this purpose in the 2014 AFRI request for applications?

Dr. WOTEKI. Again, there are two agencies that are involved, the intramural program administered through the Agricultural Research Service that provides germplasm collections that are very

important for plant breeding and to achieve, as you very well described, locally adapted seeds. So that ongoing germplasm preservation activities and providing germplasm to researchers and breeders is an important role for ARS.

Again, through the programs that the National Institute of Food and Agriculture administers, competitive grants as well as the formula funds that go to the State agricultural experiment stations both play a role in providing funding for conventional plant breeding as well as for plant breeders that are using the new genetic technologies as well.

Ms. PINGREE. Great.

Dr. RAMASWAMY. If I might add just a bit more. So within the National Institute of Food and Agriculture, over the last 4 years we have provided well over \$50 million in support of conventional plant breeding, and very specifically, for actual development of cultivars and germplasm and others, we have provided approximately \$20 million. The other amount is for developing technologies and methods that are needed as well to help enable that.

Then for the 2013 fiscal year that we have got, we have an RFA, request for application, that is out that is allocating \$5 million for conventional plant breeding. And as we go forward in 2014, we expect to allocate similar amounts of money for plant breeding as well. We are very concerned, like you are, about this effort.

Ms. PINGREE. Great.

Thank you, Mr. Chairman. I have gone over my time. I appreciate it.

Mr. ADERHOLT. Mr. Rooney.

#### SEQUESTRATION IMPACT

Mr. ROONEY. Thank you, Mr. Chairman.

On March 11th, NIFA released a statement regarding the impact of the sequester. In it, you stated that there would be a potential reduction of \$13 million for AFRI competitive grants, reductions around \$37 million for capacity formula funding, and reductions of over \$10 million for other research, education and extension programs.

In the continuing resolution, funding for AFRI was increased by \$10 million, but as a discretionary program AFRI is still subject to the USDA's 2.5 percent reduction within the next 6 months. As you know, programs for research at land-grant universities like the University of Florida will be funded, although those will be cut by 7.61 percent.

My first question is can you provide examples of how the sequester has negatively impacted AFRI research initiatives, specifically at land-grant institutions like the University of Florida?

Mr. BISHOP. Will the gentleman yield?

Mr. ROONEY. Yes, sir, I yield.

Mr. BISHOP. Let me add something to his question. Would you also include the 1890 colleges and universities—I think Mr. Chairman has one in his district, Mr. Nunnelee has one in his district, and I have one, of course, in Georgia—the impact of sequestration on those who have traditionally been undercut when it came to resources.

Dr. RAMASWAMY. Congressman Bishop, I appreciate that add-on, and, Congressman Rooney, in response to your question, indeed the sequester is going to have a very significant impact. Within the AFRI program with the reduction that we are looking at, we think that we are going to be unable to provide funding for about 100 new grant proposals.

In addition to the sequester that you referred to, the other thing that happened was the mandatory programs were also lost, and that was about \$130 million for specialty crops, for organic, and biomass development, and beginning farmers and ranchers development. So between the two, the loss due to the sequester as well as the loss of the mandatory programs, we project out that we are not going to be able to do about 200 grant proposals.

To give you an example, one of those programs that we have lost in the mandatory programs is the Specialty Crop Research Initiative. Last year the University of Florida was awarded a grant for approximately \$9 million on Huanglongbing, the citrus greening challenge that we have got that particularly Florida is facing a very significant challenge with that particular organism. So I imagine that we are not going to be able to do that kind of research.

And coming specifically to institutions like Fort Valley State and Alcorn State University and others, again, their competitiveness is going to be reduced as well, because the funding rate, depending on what panel that you are in, what area of endeavor that you are submitting grant proposals to, ranges between about 6 percent and about 22 percent. So with the fewer dollars that we have got, the competition is going to be significantly keener. So that is going to certainly have ramifications.

Mr. ROONEY. Obviously that is horrible news with regard to the greening issue as far as my district is concerned and my alma mater.

But just one follow-up. If Congress, if we fail to pass the USDA budget for 2014, how will this impact NIFA's and in particular how will it impact AFRI?

Dr. RAMASWAMY. Oh, wow. If the budget for NIFA, USDA and NIFA, is not passed, that is approximately \$1.29 billion. AFRI itself is proposed for \$383 million, and \$383 million, in our estimate, is very simply approximately about 1,000 grant proposals we will not be able to do, anywhere between 500 and 1,000 grant proposals we will not be able to do in the competitive grants arena.

Then if you go to the capacity funding that is distributed by formula for the experiment stations to undertake research and extension to translate that knowledge and deliver it to the end users, that is going to be a loss of—together in all the capacity areas, that is a loss of well over \$700 million. And that is going to have a huge impact on the 1890s, the 1862s, the 1994s, the Hispanic-serving institutions, the non-land-grant agricultural colleges. We are going to lose capacity. And research in many ways you can't stop and start again, because there is a lot of development work that goes on, and that would be a very, very significant impact on America's global preeminence in the food and agricultural enterprise, and God forbid that something like that happens.

Mr. ROONEY. Thank you.

Thank you, Mr. Chairman. I yield back.

Mr. ADERHOLT. Mr. Bishop.

#### NATIONAL AGRICULTURAL STATISTICS SERVICE

Mr. BISHOP. Thank you very much. Let me welcome all of you, and I apologize for my delinquency. I had another conflict.

But one of the casualties of sequestration appears to be the National Agricultural Statistics Service plan to suspend pecan production estimates and forecasts effective immediately, and, of course, I am concerned about that. The entire pecan industry relies heavily on these reports as well as the monthly cold storage report, which we understand will continue.

Unlike other U.S. tree and nut crops, pecans are grown across a wide swath of 15 States, and the industry is segmented and has not been successful in establishing a marketing order. Therefore, the industry has very limited means to determine the size of the crop in any given year, and the numbers that are provided by NASS are critical to the pecan industry's ability to operate in an extremely volatile marketplace, both domestically and internationally.

Can you have your staff review options such that possibly those pecan reports might be reinstated?

Dr. WOTEKI. Congressman Bishop, we share your concerns about NASS having to suspend a number of surveys and the reports that come from them during this year, 2013, because of the sequestration and the additional rescission. The agency has very limited options in the way that they can absorb this very significant cut coming at halfway through the fiscal year.

The one point that I think is very important is that the 2014 budget request would allow NASS to reinstate the surveys that are the basis for the pecan report as well as a number of others that have had to be suspended this year because of the sequestration.

#### GENOME RESEARCH

Mr. BISHOP. Thank you very much for that, but it is really going to have a devastating impact on the industry this year because they don't have any way of tracking what the market is going to be.

Do you have a sense of how many major commodities still exist where we have not completed genome research or established a genome? What ARS resources are going to be dedicated to genetic research in fiscal year 2014, in particularly peanuts? Both the University of Georgia and the University of Florida have been working on peanut genome research for some time, and, of course, the cuts are going to impact that. Can you speak to that quickly?

Dr. WOTEKI. Well, we have had a partnership with a number of Federal science agencies to support the genome sequencing and assembly for major crops and livestock species, and we have also initiated some additional genome initiatives to sequence the major pest species as well as major diseases as well.

Dr. Knipling, are you familiar with where we are on the major commodities?

Dr. KNIPLING. In the case of food animals, livestock, there are five major species, but when it comes to crops, there are literally

hundreds of species. But we are systematically sequencing the genome of the major crop species.

Mr. BISHOP. I am particularly interested in peanuts.

Dr. KNIPLING. I don't know particularly about peanuts. I will provide that for the record. But I would say this is a major initiative across the whole spectrum of crop production.

[The information follows:]

### Peanut Genome Sequencing Project

The sequencing of the peanut genome is being done under the umbrella of the U.S. Peanut Industry Genomics Initiative, coordinated by the Peanut Foundation with the general goals of reducing the cost of production and improving yields and quality of peanuts.

The Peanut Genome Consortium selected Beijing Genome Institute (BGI) in Beijing, China to perform the sequencing and initial assembly of the tetraploid peanut genome. The sequence is intended to reveal the basic nucleotide structure of the peanut genome, with reference to individual chromosomes.

The genome of the tetraploid cultivated peanut is made up of two uncultivated diploid species. Attempts are being made to simultaneously sequence each diploid separately, in addition to sequencing the tetraploid. Sequencing of the two diploid species that make up the tetraploid cultivated peanut is being conducted by the University of California, Davis, in conjunction with China's Beijing Genome Institute (BGI). The two genomes are so close in structure that it is difficult to distinguish between the two. Therefore, alternative strategies are being used to solve that issue.

BGI has completed a rudimentary draft of the cultivated peanut genome sequence which was released in 2013 within the research community for analysis which is still underway. There is uncertainty about when the genome will be released publicly because the assembly is in poor condition due to the close similarity of the two diploid genomes. Steps are being taken to address this issue.

A total of \$2.2 million for the peanut sequencing project has been provided by Mars Incorporated, J.M. Smuckers, Birdsong Peanuts, and several Chinese Agricultural Academies. Additional partners engaged in the sequencing and assembly of the peanut genome with BGI are: University of Georgia at Athens and Tifton; USDA-ARS laboratories in Stoneville, MS; Griffin, GA; and Tifton, GA; University of California-Davis; University of Brasília, Brazil; International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), India; Chinese Academy of Agricultural Sciences, China; Shandong Academy of Agricultural Sciences, China; Fujian Agriculture and Forestry University, China; Texas A&M, Lubbock; Instituto Agronomico de Campinas, Embrapa-Brasília; University of Florida; North Carolina State University; and Auburn University.

## 1890S AND HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

Mr. BISHOP. Thank you.

Let me just return to the issue of the 1890s and the HBCUs. Can I get you to, for the record, and you probably don't have that information handy at the moment, but out of all of the competitive non-formula research grants provided by NIFA, how many grants were awarded to 1890 universities, and what percentage of the total funding did that represent? Over the last, I would suggest, 5 years, were there any HBCUs awarded nonformula competitive NIFA grants? Are there any examples of current ongoing collaborative research projects between 1890s and 1862s?

If there have been competitive grants awarded, I surmise that it has been minimal, and I have a continuing concern that the 1890 universities—as to why the 1890s have not been able to enjoy the same kind of wealth of resources from research that the 1860s have been able to enjoy.

And, of course, I obviously am interested in Fort Valley State University in Georgia. And, of course, I hail from Alabama, and there is Tuskegee, Alabama A&M, there is Florida A&M, there is Alcorn A&M, Mississippi. And I notice that the Evans-Allen program for the 1890 institutions was supposed to be funded at the fiscal year 2011 level of \$50.9 million, and that has actually been flat every year since fiscal year 2011. Shouldn't this program be spared from sequestration?

Dr. WOTEKI. Let me very briefly say we would be happy to provide for the record information on the competitive funding that has been provided to the colleges of 1890, either as individual faculty members as well as those that are ones in which there have been multiple faculty from multiple institutions that have been successful in the competitive grants program.

[The information follows:]

**NATIONAL INSTITUTE OF FOOD AND AGRICULTURE**  
**Competitive Research Funding**  
**(Dollars in Thousands)**

	<b>1890 Universities</b>		<b>All Other Institutions</b>		<b>Grand Total</b>	
	<b><u>Number of Awards</u></b>	<b><u>Amount of Awards</u></b>	<b><u>Number of Awards</u></b>	<b><u>Amount of Awards</u></b>	<b><u>Number of Awards</u></b>	<b><u>Amount of Awards</u></b>
<b>FY 2009</b>						
Awards	31	\$9,576	941	\$382,384	972	\$391,960
Percentage	3%	2%	97%	98%	100%	100%
Sub-Awards/Collaborations *	3	\$410	315	\$37,644	318	\$38,054
Percentage	1%	1%	99%	99%	100%	100%
<b>FY 2010</b>						
Awards	126	\$35,085	873	\$332,689	999	\$367,774
Percentage	13%	10%	87%	90%	100%	100%
Sub-Awards/Collaborations *	28	\$1,366	977	\$99,363	1,005	\$100,729
Percentage	3%	1%	97%	99%	100%	100%
<b>FY 2011</b>						
Awards	73	\$21,089	839	\$480,223	912	\$501,312
Percentage	8%	4%	92%	96%	100%	100%
Sub-Awards/Collaborations *	21	\$1,067	687	\$99,452	708	\$100,519
Percentage	3%	1%	97%	99%	100%	100%
<b>FY 2012</b>						
Awards	86	\$25,773	733	\$342,508	819	\$368,281
Percentage	11%	7%	89%	93%	100%	100%
Sub-Awards/Collaborations *	24	\$1,868	654	\$81,388	678	\$83,256
Percentage	4%	2%	96%	98%	100%	100%

\*Collaborations may include historically black colleges and universities, Hispanic-serving institutions, tribal colleges, 1862 land-grant universities, other Federal science agencies, and other eligible organizations.

Data Sources: Data is for competitively awarded programs only, including those designated as eligible to only specific types of institutions, for primary awards of \$25,000 or above. Primary award data is available electronically and is the actual total award amount for each award. Sub-award data is not collected or stored electronically. Sub-award data is collected by hand, at the time of the award, through our Awards Management Division and may change after the award is finalized. Other Institutions includes any institution or organization not designated as an 1890 Institution. 2008 Data for sub-awards is not available and is not included in this analysis.

## SEQUESTRATION IMPACT

Dr. WOTEKI. And with respect to the sequestration, our flexibility in deciding how to apply those cuts was essentially lacking. We have very little flexibility in how we can take those cuts because they are applied across each line within the budget. So in the case of the National Institute of Food and Agriculture with many, many line items in the budget, each one of them was affected across the board in the same manner.

Mr. BISHOP. You did it proportionately?

Dr. WOTEKI. They include the same 5.1 percent for the sequester and the 2.7 percent for the rescission, yes.

## REE ACTION PLAN

Mr. ADERHOLT. Thank you.

Dr. Woteki, last year you released the Research, Education, Economics Action Plan. This built upon the previous roadmap, which USDA was required to develop by the 2008 farm bill. While USDA has a very broad research mandate, neither Congress nor USDA can fund every worthwhile or interesting project. I support your efforts in trying to make a priority of the certain research mission that you are tasked to do at USDA.

So could you tell us what are some of the USDA's most recent research accomplishments, perhaps maybe the top four or five?

Dr. WOTEKI. Well, thank you, Chairman Aderholt, for recognizing how important the action plan has been to us, and the work that we have done in developing that plan has helped very much in sharpening up our priorities, and has helped us in building the budget requests that we have submitted as part of the President's 2014 budget.

We are finishing up the first annual report from the action plan, and we will be happy to sit down with you and members of the Committee to review that when we get the final department approval for release, which we are expecting in the next month or so.

The research accomplishments are in five major areas that address the five major priority areas in the Secretary's strategic plan and that relate to, first of all, food security for production of agriculture here in the U.S. as well as contributions globally; improving food safety; human nutrition, with a major emphasis on obesity prevention; the fourth area in biofuels and bioproducts; and the fifth area in adaptation and mitigation of climate change.

So the report that we are putting together is providing highlights of specific accomplishments of just 1 year of operation under the action plan. And, as I said, we will be happy to sit down and talk it through with you. It includes data about the publications as well as patents and licensing agreements in each of the priority research areas. It also includes very specific examples of research accomplishments for each of the goals and subobjectives. So there is quite a bit of depth and detail that are associated with it.

Mr. ADERHOLT. Were you going to say something?

Dr. RAMASWAMY. I will give you one quick example. Just in the State of Alabama, one of the impactful research accomplishments is in the area of precision agriculture. So Auburn University and Tuskegee University, partnered with Alabama A&M University as

well, and other institutions, the University of Georgia, for example, have developed a precision agriculture approach that is saving in pesticide use, in the amount of fertilizer applied, and the labor that is involved as well. And we are estimating that just for the State of Alabama, it is going to be a savings of about \$20 million-plus as a result of that research enterprise, the discoveries that have been made. That has been translated and then delivered to the end user. So there is that continuum of the research to the discovery to the delivery process that we support.

Mr. ADERHOLT. That is a good example. I have actually been able to see that firsthand, and it is very impressive.

Dr. Woteki, any other example that you could share with us?

Dr. WOTEKI. Oh, the problem is trying to decide what are just a few of the top ones. We have had over this past year publications on the genome sequencing as it relates to wheat. That is a major step forward as part of an international research activity. That has included ARS as well as university-based researchers.

We have had the production for the first time of a foot and mouth disease vaccine that is the result of ARS research. That is the first time that a vaccine for foot and mouth disease can be produced in the United States because it does not include the live or attenuated organism, but rather is based on genetic technologies that use only a part of the organism.

So there are a number of international efforts in understanding climate change as it relates to agricultural greenhouse gas production and ways that we can mitigate those agricultural greenhouse gas production. So there is a wide variety of research accomplishments.

Mr. ADERHOLT. Thank you very much. My time is up.

Mr. Farr.

Mr. FARR. Thank you very much, Mr. Chairman.

I was just noticing, I have been at this Committee for a number of years. I don't think we have ever had a table where everybody held a doctorate. This is the smartest group of witnesses we have ever had. The problem is Mr. Young is at every single table, and he is the only one up there without a doctorate. So, Mr. Chairman, I think we ought to honor him today with an honorary doctorate in fiscal policy wonk.

Mr. ADERHOLT. That will be considered.

Mr. FARR. We will get him up there as a coequal to his peers.

Thank you for your talent, and thank you for your service to the United States Government. We really appreciate it.

#### METHYL BROMIDE

Look, I came to Congress and, I think, in public life trying to push the envelope, and it seems to me that you gather all the data of how we ought to be pushing the envelope to change. But I have some real issues. ARS, for example, Mr. Knipling, the crop protection, you have \$16 million allocated this year for soil microbial ecology. I mean, since I have been in Congress, we have spent \$150 million trying to figure out the alternatives to methyl bromide, and we haven't found anything yet that works and can get accepted. I mean, the methyl iodide couldn't pass California muster, and our

farmers—because I have probably one of the biggest users of the strawberry industry for methyl bromide.

Can we get a better bang for our buck? I mean, I am just frustrated. You know, our enemies have been able to invent nuclear bombs faster than we can find an alternative to methyl bromide.

Dr. KNIPLING. We indeed share those concerns, Mr. Farr. We have both a science issue and opportunity as well as a regulatory issue, as you know, with methyl bromide.

Mr. FARR. We all signed those agreements 20 years ago. I point out that we have signed these protocols. That is when we started putting money into finding an alternative. Why have we been so ineffective in finding something that works?

Dr. KNIPLING. Methyl bromide, of course, was a very good technology, and the alternatives in terms of other chemical fumigants have had their—as you alluded to, had their regulatory or efficacy issues as well. In fact, some of the alternatives that have been developed are no longer available because of regulatory concerns at either the State or Federal level.

Mr. FARR. Well, that is the point. You are inventing things and finding things that can't be used. That doesn't help the farmer.

Dr. KNIPLING. The alternative approach to chemical fumigants are some of the natural controls, the soil biology, the soil health, the plant health. And so some of these traditional methods that—

Mr. FARR. Yeah, we have cut the organic research budget.

Dr. KNIPLING. This is not so much an organic issue per se, but the genomics, the pest resistance through genetic improvement and plant breeding, the sustainability of the environment, the integrity of the environment in terms of soil health, soil biology, these are the alternatives that we are working on, and that is the route we are going to need to go because of the regulatory loss of methyl bromide and other chemical fumigants.

Mr. FARR. Well, let us catch up to modern times and modern farming practices. Where are you doing this research?

Dr. KNIPLING. Principally in California and Florida, but a number of other States are contributing to it as well. But in terms of genetic resistance, genetic resources, host plant resistance, soil biology, it is a nationwide network, and much of that, those basic discoveries, would have broad application to other crop-production systems and areas regardless of where the discoveries are made.

#### SUSTAINABLE AGRICULTURE/CLIMATE CHANGE

Mr. FARR. I understand you are also going to—you are proposing \$15.8 million for agricultural sustainability with prioritizing sort of the weather effects, climate extremes, and temperature, and precipitation rate and things like that. Where are you going to do that?

Dr. KNIPLING. That would be, again, across our network of laboratories. This is a part of a broad strategy to develop adaptations to changing climates. But, again, the approaches are largely through crop production and animal production, genetic improvement systems so that they can sustain their capacity under a changing climate condition, changing water conditions and—

Mr. FARR. Are you working with NOAA weather on that?

Dr. KNIPLING. Indirectly in terms of the data of climate, but the science——

Mr. FARR. We have a major NOAA weather station in Monterey, and we have an ag research station in Salinas right next to it. This would be ideal. We have 85 crops that are looking for this kind of information. It is the highest priority among the ranchers there, because if they know dew points and things like that, they don't have to apply as much herbicides, pesticides or any other fertilizers. And so this is where you have another Federal agency that is doing research.

Dr. KNIPLING. Yes, indeed. Actually another part of this budget request that is different than the one we have been talking about, but it actually is part of a USDA participation in an earth sciences data network across all of the Federal agencies. And again, our role, our niche within that USDA perspective would be on-the-ground environmental data as it relates to crop production and sustainability systems. But, yes, we are connected with NOAA and the other Federal agencies in that regard.

Mr. FARR. I hope you will look into finding a collaborative between those two stations, because they have expressed interest to me on the ground to work together. They just haven't had anybody in Washington paying attention to it.

ORONO, MAINE, LAB

Mr. ADERHOLT. Ms. Pingree.

Ms. PINGREE. Thank you, Mr. Chair.

You have already talked a little bit about some of the challenges with ARS labs, and I just want to talk about the one in Maine. So I was disappointed to see in the fiscal year 2014 budget proposal included the closure of the ARS plant and soil lab at Orono, Maine, which is our land-grant college. The lab has done exceptional work in fields like wild blueberries, potato blight research that we don't think is duplicated anywhere else in the country.

So I am just wondering if you can give me any additional details about the proposal. Do you intend to continue to utilize the facility at the University of Maine? Can you clarify any of the details?

Dr. KNIPLING. Yes, I can address that. Yes, we have an ARS federally owned laboratory on the campus of the University of Maine. We do not plan to close that laboratory or reduce the funding resources for it, but we do intend to and propose in this budget to change the orientation and the use of that facility to strengthen our North Atlantic salmon aquaculture program. We have a facility on the coast at Franklin, Maine, and the Orono facility would now be used as a companion facility to that and a complement to focus on the fish health, aquaculture health-related aspects of the program at Franklin.

So, no loss of resources, no loss of the facility, but a new proposed use of the facility.

Ms. PINGREE. I am sure there are always challenges and change. Obviously there are still a lot of people interested in the potato and blueberry industry who don't want to see the change, although I also represent a tremendous number of people interested in the aquaculture industry. So I appreciate the fact that you are thinking

broadly and thinking of ways to be able to keep the facility working.

Dr. KNIPLING. I would just add that we have significant blueberry and potato research investments at other places, including in the Northeast, and much of that research and much of what we do at one place does have some broad applicability to other production areas.

Ms. PINGREE. I certainly won't argue with you, because I am just glad to see that you are working on possible ways to utilize the facility and infrastructure, but nobody else grows wild blueberries. I think that is really very unique to Maine and a growing industry.

So there are some differences, but I do appreciate that you are—and, of course, Maine potatoes are better than anyone else's potatoes. But that is a matter for another day.

Mr. FARR. Do wild blueberries go with wild salmon?

#### LOCALLY ADAPTED SEEDS

Ms. PINGREE. Well, that is a whole different Committee. Bringing back the wild salmon has nothing to do with the aquaculture salmon. But luckily I am on both, so I get to discuss it in Fish and Wildlife as well.

I just want to go back and clarify this a little bit, nit-picky, but I am sure I don't have a lot of time on this question round. But we were talking before about the AFRI program and the locally adapted seeds. And I guess I was trying to specifically say whether you had any plans to include an AFRI subprogram in the 2014 request for applications, because I do understand, to the extent that much of this is somewhat new to me even though I was on the Ag Committee before, but now drilling down a little, I know that in the request for applications, you know, what you state is more likely going to be related to what proposals come to you.

Dr. RAMASWAMY. Congresswoman Pingree, yes, indeed, we will. In the 2014 RFAs that we are planning on, and hopefully with your help, we will be able to get the funding that we need as well to address these very challenging questions that need to be addressed.

And specifically we have what are called challenge areas and foundational areas within the AFRI program, and within the foundational area we will specifically have RFA that will be on plant breeding, conventional plant breeding, a very specific RFA. We still don't know how much money is going to be allocated to it. You know, it depends, again, on what you all are going to be doing.

And as I said in the 2014 RFAs, we have indeed provided a specific RFA for plant breeding, and that has been allocated \$5 million.

In addition to that, in the challenge areas, you know, which are about, you know, adapting to climate change and developing better, more healthy foods and things of that nature, there is opportunity for conventional plant breeding, classical plant breeding, to be incorporated in that as well, and we have got a number of projects that we have provided funding for over the last few years specifically in the area of using those conventional plant-breeding methods.

Ms. PINGREE. Great. Thank you for your clarification.

Thank you, Mr. Chair.

Mr. ADERHOLT. Mr. Fortenberry.

Mr. FORTENBERRY. Thank you, Mr. Chairman.

Good morning, everyone. Thank you so much for joining us.

Dr. Ramaswamy, I understand you are a Cornhusker.

Dr. RAMASWAMY. Sorry, I am a Wildcat.

Mr. FORTENBERRY. Did you spend some time at the University of Nebraska though?

Dr. RAMASWAMY. No, I was at K State, but I spent a lot of time in Nebraska chasing bugs.

Mr. FORTENBERRY. That is the origin of the Bugeater mascot from a long time ago.

Dr. RAMASWAMY. You got it.

Mr. FORTENBERRY. Thank you all for coming this morning.

My grandfather was a county agent, and my mother was a 4-H extension agent. My grandfather said that is the best job in America. And if we think about, again, where our real economic strength originates from in this country, you can definitively point to the land-grant system as a major factor in taking science and research and extending it into the hands of those who are going to produce and grow food and all of the other benefits that accrue from their production.

So with that said, I want you to know that I believe that this is important, and it is a story that we have not told aggressively enough to the rest of the Nation that really our main, I think it is fair to say, backbone of economic strength flows forth from our ability to produce off the land and steward this important natural resource, and the traditional way in which we have done that through partnerships with land-grant institutions, through the USDA has been essential to that whole process. But because so few people farm anymore directly related to the land, I think the Nation has not heard that story aggressively enough, and I think it is all of our responsibility to tell it.

And I said this to the Secretary yesterday and actually commended him for the job he does in trying to present in a robust fashion the benefits of agriculture to the rest of the Nation. That goes way beyond safe and abundant food, but is also related clearly to economic policy, environmental policy and conservation policy, even national security policy.

#### AGRICULTURE AND FOOD RESEARCH INITIATIVE

With that said, we have got in the budget here is \$106 million increase for the Agriculture and Food Research Initiative. And now why is that one elevated over others in such an aggressive manner?

Dr. RAMASWAMY. Thank you very much, Mr. Fortenberry, and I couldn't agree with you more about the importance of the land-grant enterprise that we have got in America. In fact, when Abraham Lincoln signed the Morrill Act into law, he said—allegedly he said that this is going to be the economic engine for our Nation. And sure enough that has borne out to be true. And only in America will we spend just a tad over 6 cents of every dollar that we earn on food compared with Western Europe; on average they spend over 10 to 15 cents of every dollar that is earned. An unbelievable enterprise that was unleashed by the land-grant institutions.

So I agree with you very much, and it is indeed a well-kept secret. Most people don't understand it, don't know what it is all about, and this is the 98-plus percent of the population that doesn't get it. And we are two generations removed from the farm in America, and so it becomes more and more important for us to try to convey this message that we have got.

Specifically in response to your question about the proposed increase, so there are three principles that we wanted to adhere to, one of which was to increase funding for competitive grants, and, as you stated, it has been proposed to be increased by over \$100 million.

The second thing that we wanted to do was to, in quotes, "stem the flow," as it were, in loss of capacity in America. And in the land-grant context, we have got the capacity funds that are distributed based on formula for experiment stations, Cooperative Extension Service. Your grandfather was a member of that fantastic community. And so we wanted to make sure that we could at least get to the 2012 level in maintaining the capacity. And so that was the second principle.

The third principle was we wanted to make sure that our minority-serving institutions were protected as well. And indeed the proposed budget reflects that for the National Institute of Food and Agriculture.

Within AFRI specifically, we wanted to focus at the core of everything that we do, it is the farmers and ranchers. They have got to be at the core of everything that we do. There are a lot of externalities that impact them. There might be insects, pathogens, weeds, climate change, greenhouse gases, on and on and on; also the economic factors that we have got as well. But at the core of it, it is that farmer and rancher, it is about producing food, it is about putting food on the table.

That is what this budget is all about. And there is a disconnect between what we invest in America and the complexity of the challenges that we are trying to address as well. And so the request for this increase in the Agriculture and Food Research Initiative reflects that principle, that we want to make sure that we are providing this knowledge that is necessary that can be translated to innovations. Those innovations create these solutions to the problems that we face.

Mr. FORTENBERRY. I think the challenge here, and I think you actually touched upon it, is to find that balance to ensure that the institutions, land-grant institutions, can actually have the capacity to absorb such a program in their foundational activities. And I think that is the creative tension, if you put it that way, if you want to put it that way, that I hope you are looking for, clearly you are looking for. All right. Thank you.

Dr. RAMASWAMY. Yes, sir. Thank you very much.

Mr. ADERHOLT. Mr. Bishop.

#### PEST CONTROL

Mr. BISHOP. Thank you very much.

While I recognize that the eradication of cotton insects and pests is primarily the role of APHIS, I notice that NIFA proposes to

spend \$11.9 million in fiscal year 2014 for research projects focused on improved pest control.

While the APHIS Boll Weevil Eradication Program has successfully eradicated the boll weevil from all U.S. Cotton areas except for the extreme lower parts of Texas and the Lower Rio Grande Valley bordering the Mexico, the Lower Rio Grande Valley continues an active battle to eradicate the boll weevil, and unfortunately that area serves as the only barrier between boll weevils in Mexico and boll weevils coming into the United States. Our southern cotton producers are very concerned that if we don't get a handle on this situation in Mexico, that we could ultimately see a re-infestation in the United States.

So what kinds of pest-control projects are you currently funding? And do any of these projects include the study of pests which potentially come across the border from other countries, particularly Mexico? And, of course, primarily I am interested in the boll weevil.

I had the opportunity at the Southeastern Farm Show in Moultrie, Georgia, to preach the eulogy of the boll weevil about 15 years ago. Everybody was very happy, but now we are wondering if a resurrection is on the horizon.

Dr. WOTEKI. Let me kick off by saying we do maintain, both in the intramural programs at ARS as well as the extramural programs at NIFA, active research programs with respect to invasive species, whether they are plants or insects, and the identification of control strategies that can be implemented over the short to medium term, as well as longer-term biological control approaches that include the identification of natural predators that are present in the countries and the continents from which these invasive species originate prior to their coming into this country, where there may not be any natural predators.

Let me ask Dr. Knipling to talk about what ARS is planning with respect to cotton and boll weevil research, and then Dr. Ramaswamy on the integrated pest management proposals that are included in the budget.

Dr. KNIPLING. Well, I would certainly acknowledge that invasive species of all types are a very large portion of our research portfolio.

There is a very interesting story with the cotton boll weevil, and it literally goes back 50 years. Even though APHIS, in cooperation with the grower organizations and the State departments of agriculture, have been responsible for implementing the Boll Weevil Eradication Program across the entire Cotton Belt starting in Virginia and North Carolina and working toward the Southwest. Virtually all of that operation was based upon technology developed by scientists in the Agricultural Research Service and the land-grant universities.

One of the key successes in that was development of the boll weevil pheromone, that is the sex attractant, and that has been used as the basis for trapping and monitoring, and that is still used. The sterile insect technique was also deployed. It turned out not to be as successful for that insect as it did for others, but it was used in peripheral areas where the boll weevil population was

low, such as up into Tennessee, even Kentucky, southern Illinois, as part of the eradication program.

Understanding the biology of the boll weevil and its over-wintering habits and the critical timing of the technology including insecticide technologies, so it was a portfolio of technologies that were all based upon science, and it was deployed in a very orchestrated way across the entire Cotton Belt.

We continue to have at College Station, Texas, a cotton insect research program in support of the boll weevil program, and I think we are on the threshold of achieving it.

As you point out, it is going to be very important to maintain a barrier and a capacity in Mexico to keep it from reinvading the United States. Incidentally, it is not a native insect to the U.S.; it is native to Mexico and Central America. But with other pest-management programs, we have had collaborative arrangements with Mexico and other foreign governments to establish programs that go into their country as well. So that would be perhaps a next step beyond eradication in Texas.

Dr. RAMASWAMY. So I have also been to Enterprise, Alabama, which is where the shrine to the boll weevil was established many, many years ago. So if you all have not been there, you might want to check it out. It is pretty cool.

Very specifically within NIFA, in addition to what Dr. Woteki and Dr. Knipling said, we have got several different lines that we are going to be providing funding. We have consolidated all of the various programs that we had in the plant protection, pest management area into basically two lines. One of them is we call it crop protection, slash, pest management, and over \$20 million is going to be invested in developing new methods, new technologies to deal with insects, and weeds, and pathogens and things of that nature, including the invasive species.

A second area that we have kept aside is—we have listened to stakeholders—we have kept aside the IR-4 program, the Minor Use Pesticides Program, and that is another area that is about over \$11 million that we are going to be investing—we propose to invest in coming up with new technologies to deal with pests.

The third area is in the other funding programs that we have got: for example, earlier Congresswoman Pingree asked about conventional plant breeding, the approaches that are available to us in the plant-breeding domain of dealing with insects, and pathogens and things of that nature is another opportunity for us to develop new methods and new technologies as well.

Finally, the Sustainable Agriculture Research and Education program, SARE, has now been consolidated into one line. We had under the research enterprise and the extension enterprise two separate areas, and we have brought it all together. It is over \$22 million that we are proposing. And then within the SARE program we will have great opportunities to develop new technologies to deal with pests as well. So we are certainly very concerned about this, sir.

Mr. BISHOP. My time is expired, and I thank you.

Mr. ADERHOLT. Mr. Yoder.

## WHEAT AND BARLEY SCAB INITIATIVE

Mr. YODER. Thank you, Mr. Chairman. Thank you all for coming today. I appreciate having you here.

Dr. Ramaswamy, I, for one, am pleased to hear of your association with K State. I don't know how the rest of the folks here were, but as a proud Kansan—

Dr. RAMASWAMY. Being a Jayhawk yourself.

Mr. YODER. Okay. You are familiar with that. Our sister institution down the road there in Manhattan, we are proud of them and their role in agriculture in the State, and they have got some really exciting projects going there, and very pleased with what they are up to.

Certainly as a Kansan, we know Kansas is the biggest wheat producer in the country, and I wanted to ask a little bit about the U.S. Wheat and Barley Scab Initiative. The 2013 budget for ARS included \$4.7 million for this, which, through a competitive grant program, is providing funding to over 100 State university research projects in 22 States to address the substantial economic threat to the U.S. wheat and barley crops from the fungal disease.

As you know, the disease reduces crop yields and quality, reducing returns to both growers and grain end users, with a substantial negative impact to the job-generating wheat- and barley-based agriculture economy. It also produces health-threatening mycotoxins, which are a food safety hazard.

I noted in the budget that the budget was actually—that the research is reduced by just under \$1 million; I think \$880,000. So what is the status of the research, and why are we reducing expenditures there?

Dr. RAMASWAMY. So I am going to refer to my colleague Dr. Knipling to respond to that, because it is being managed by the Agricultural Research Service. But I will come back and respond to your question as well, because we are doing several things in that realm, in the scab area as well.

Mr. YODER. Great. Thank you.

Dr. Knipling.

Dr. KNIPLING. Yes. The wheat scab is a fungal pathogen, *Fusarium*. It also affects barley. It debilitates, reduces the crop production, but it also leaves behind a toxin which has some food safety, feed safety implications, and export and marketing implications as well.

This problem really came to light in a big way in the 1990s. Since about the year 2000, ARS has been investing about \$10 million a year at various of our laboratories. About half of that is in the intramural program, and the other half is roughly the \$5 million that you referred to as the cooperative agreement, a program with universities.

We made tremendous progress over the last 12 to 13 years. The problem is probably not more than—in terms of losses to producers and to the marketplace, probably not more than 20 percent of what it was 15 years ago.

So under these budget circumstances, we are always challenged to refocus our resources to higher priorities. We are proposing to reduce the investment by about half. We will still maintain about

\$5 million at our laboratories, but to focus the other half on some of the priorities that we have been talking about in this hearing, some of the other crop production, sustainability, adaptation to climatic change, variability and so forth. This work will still relate to wheat-production systems, crop-production systems, but taking a different approach. But we will maintain the base program of about \$5 million at our laboratories.

Dr. RAMASWAMY. If I might add to that, I had one of my colleagues do a quick search for me. At the land-grant university community, the funding that we receive from ARS that is provided to the land-grant universities, there are about 40 projects, almost 40 projects, that are attributable to scab work. That is almost all of them are in collaboration with our colleagues in the Agricultural Research Service as well. The funding is provided with our capacity funds, the Hatch funds, that provides funding for agricultural experiment stations, as well as the Smith-Lever funds for Cooperative Extension Service as well, so that the research is actually transmitted and delivered to the end users.

In other areas within the Agriculture and Food Research Initiative, we have provided funding for wheat researchers over the last 4 years that is about improving wheat genetics, and they have incorporated within those enterprises as well the effort to deal with the scab, and other pathogens and insect problems and wheat problems as well.

So we do have a tremendous presence in the scab and other diseases. We have got this thing called the Karnal bunt disease and Ug-99 coming from Uganda, you know, of tremendous concern to us, going back to Congressman Bishop's question about invasives, and we cannot take our eyes off this lest we are unable to produce the food that we need to be producing for us and for the world.

Mr. YODER. Thank you.

Thank you, Mr. Chairman.

#### NUTRITION RESEARCH

Mr. ADERHOLT. Let me focus a little bit on the nutrition research programs. USDA is responsible for human nutrition research. This research is used to support programs and functions, such as food assistance programs and dietary guidelines. ERS, ARS and NIFA all fund programs on this topic.

Let me address to three of you, Dr. Knippling and Dr. Bohman and Dr. Ramaswamy, maybe you could all each comment on this, and, first of all, when you make your comments, the focus of your particular agency on human nutrition, what questions you are trying to answer, how is the information used by other agencies and programs, and if there is any overlap?

So let us start with you, Dr. Bohman.

Dr. BOHMAN. Well, thanks.

The Economic Research Service has had a longstanding program understanding the diets of American consumers. Our data on food availability and what people eat extends back over 100 years.

A current focus is on the eating patterns of Americans, and we have been vested with this committee and others' help in funding in building a consumer data system. We are purchasing data, such as scanner data from private suppliers, conducting surveys, and in-

tegrating this with other data that is available from the Federal system, such as the National Health and Nutrition Examination Survey, or NHANES.

So from this work we are looking at what people eat; what are the characteristics of the people who eat them, income, demographics, where they live; and understanding the actual pattern of American diets, as well as the cost of different diets.

We published some research this year on the cost of healthy food, which showed that it depends on how you measure it. By calorie, less good food such as potato chips look cheap, but if you measure by portion size, you find that an apple could be thought of as cheaper than a bag of potato chips. It costs less per portion size.

So this work is supporting the nutrition community, who use this to interact with the people they work with, us, people who eat the food, but also we work closely with CNPP, the Center for Nutrition Policy and Promotion, who developed the dietary guidelines, and they use the work that we do and the databases we have in their work on dietary guidelines.

So I think it is well integrated. We have people who are on their committees. We interact with them to make sure that the work we do meshes with the kinds of recommendations that they need to make. So I think it is a good case of collaboration where we each have our different roles, but we are supporting each other.

And then we also work closely with the Food and Nutrition Service, and some of our work on nutrition there is to look at the dietary outcomes or the health outcomes of people on the major nutrition programs such as SNAP. We have ongoing work to look at whether people who participate in SNAP eat healthier diets than nonparticipants at the same levels of income.

We also work on the school lunch program and have been working with FNS to jointly fund and develop research programs that look at students' choices in the school lunch program and how you can use relatively inexpensive techniques to change the way those lunches are delivered, and improve the choices that students make, and decrease the amount of waste. And that is using behavioral economics, which is one of the things in the 2014 budget that we propose to increase with our initiative. We meet quarterly with the Food and Nutrition Service to make sure that what we are doing supports their programs.

Mr. ADERHOLT. Mr. Ramaswamy.

#### OBESITY PREVENTION

Dr. RAMASWAMY. Yes, sir. Thanks very much.

And so the National Institute of Food and Agriculture, as my colleague Dr. Bohman said, we participate in these interagency conversations, collaborations and partnerships. So in addition to the agencies within USDA, outside of USDA, we also partner with the National Institutes of Health in looking at the possibility of leveraging resources, both intellectual and monetary resources.

Very specifically for 2014, in the nutrition area, our focus, we are proposing over \$35 million to be invested in this enterprise. And our focus really is on preventing childhood obesity, and we are focused specifically at the age group of 2 to 19 years of age. And the idea is to focus on basically three things.

And so when you go back to issues related to obesity and chronic diseases that we have got, it is the food, it is behavior, it is life-style. These are the three things, along with genetics, that contribute to the challenges that we have got in chronic disease. So our focus is going to be on issues related to behavioral, cultural issues, environmental factors that impact this occurrence of childhood obesity and how do we prevent that.

Within USDA basically, the idea is not just discover great knowledge, publish it in some scientific journal, and pat yourself on the back that you have done something great, but you have got to take that knowledge, translate that, get those innovations, and get those solutions to the problems that we have got.

So within the funding program, we will have these—what we call integrated research and extension and education grants that we will be offering as well. Well over 50 percent in our past experience has been well over 50 percent of these integrated-type efforts that we have got. So there is a continuity; the continuum between the discovery process and the delivery process is going to be undertaken as well. That is a very critical piece that we are working on.

The last thing that I wanted to share with you as well, we have got this Expanded Food and Nutrition Education Program as well, and that is approximately about \$60 million-plus that we will have as a result of the sequestration this year. And that is targeted at a very large population, particularly underrepresented populations. About 80 to 85 percent of the participants in the EFNEP program are minority populations. And again, we are working with them to help them develop better knowledge so that they can incorporate.

And there are some really wonderful long-term studies have been undertaken, for example, at the University of Wyoming. Things that were done 5 years ago are now being looked at as a follow-up in the form of a longitudinal study. And indeed, what they are getting, the knowledge that they are getting, is helping them develop better ways thinking about the food that they are eating. And so there are some very interestingly good data that are coming out of this as well. That is on the ground.

Mr. ADERHOLT. Quickly, Dr. Knipling.

#### ARS NUTRITION CENTERS

Dr. KNIPLING. Yes, human nutrition is a very significant part of ARS's research portfolio, approximately 10 percent of our total program, and it is kind of a culmination of the food chain. In fact, we operate a network of six major nutrition centers around the country that focus on different aspects of human nutrition, but all of which have a diet-health relationship. We are increasingly relating this back to the food-production system.

This budget actually proposes a \$10 million enhancement of the research programs at the six centers, and to focus on strengthening the science basis for the other USDA food assistance programs; to strengthen our nutrition monitoring surveillance program, what is called "What We Eat in America", and understanding the data associated with that so that we can relate it to some of these other programs that my colleagues have spoken about.

Mr. ADERHOLT. Mr. Farr.

## NUTRITION INFORMATION

Mr. FARR. I want to make a comment on that. I mean, you point out that a record level of obesity in Americans is affecting heart disease, diabetes, cancer incidents, all related to obesity. You certainly have the knowledge in knowing what causes it, but I think you do a lousy job of trying to get Americans to change our culture.

The fast-food industry grew up in my lifetime. The first fast-food McDonald's, I think I was 26 before it was available. It was kind of interesting to go down and buy a 19-cent hamburger, but it wasn't something people would do every day.

The new generation have grown up with fast food. I think the fast-food industrial complex is winning the war, and you are losing it. I love that now you have the MyPlate available in schools, but MyPlate ought to be in every fast-food restaurant. They ought to show exactly what nutritional value it is in what they are serving.

We have got to do something differently with the information that you have, because if we are just going to try to keep it in scientific circles, and it is not getting into the lifestyle of people. I have tried, I am trying to lose 50 pounds, and I am not going on any diet. I am just going to try to eat healthy foods. And I will tell you it is really hard. You can't just go and get fresh stuff. And here in Washington, you know, you have to go to one of these corner stores, it is just not available. And until I got into this, I never realized how difficult it is to eat healthy.

It is also the amount of portions that everybody gives you. I have to take in a restaurant now and sort of scrape half the plate away and say, I am not eating that, and then I have to cut what I am going to eat in half.

I mean, it is a whole new learning process, and I am dedicated to trying to figure this out, but I find that what we have—all the information you have gathered and all the information in the census you have, it is very difficult in educating people and changing essentially our production, our sales process. I mean, as I said yesterday to the Secretary, in a country where Chicken McNugget is cheaper than a head of lettuce, there is something wrong with all the processing that you have to do to take a live animal and turn it into a Chicken McNugget versus just cutting a head of lettuce and delivering it to a place.

So if we are going to really fight this war on obesity, we have got to ratchet up our game plan here. And I hope, Dr. Woteki, that you—you point in your closing statement that you proposed to have research capacities and build extensive new partnerships and networks with other Federal, with State, and with local agencies, with universities and with international scientists. I don't have time, but I want to know what your plan is to build that, because I think that all of these entities work in such silos. I know at the State and local level they are in silos. I want to bust those silos, and I want to know what plan you are going to have to do that, and particularly a plan for getting all this nutrition information out so it is user-friendly in every place that people have to make decisions about food.

So having said that, I want to ask some questions that aren't even related to that.

Dr. WOTEKI. I have some answers related to that, though.

#### NATIONAL ARBORETUM

Mr. FARR. Wait a minute. I see that clock there is ticking. So I want to know about our National Arboretum, one of my favorite things. As you know, recently USDA published the newly completed strategic plan for the U.S. National Arboretum. What are the Department's plans for implementing this plan, which emphasizes Arboretum's role in discovery, education and accommodating over 1 million visitors a year? What are you going to do to implement your study?

Dr. WOTEKI. Well, the strategic plan for the Arboretum has been out for public comment, and it has gotten, from what I have been told, a substantial amount of support from the Friends of the National Arboretum.

The budget constraints that we are facing this fiscal year are affecting every one of ARS's locations, including the Arboretum. So with respect to the sequestration and the rescission, this will result in a 7.8 percent cut to the National Arboretum, which is going to have some ramifications for them.

Mr. FARR. That is labor? Do we have to cut back because of labor costs; big, high costs?

Dr. WOTEKI. Well, it is essentially a cut to all of the operations, and each site that ARS has has a different structure of labor as well as funds that are used to support the research program, and also, at some sites, some funds that are used to support research with collaborators and universities.

The Arboretum does have very high proportionately labor-to-program costs, and they have a number of decisions that they are going to have to be making about how they are going to absorb these cuts.

Mr. FARR. Do you speak with your colleagues, say, at the University of Davis, where we have joint facilities, State employees working with Federal employees, because the State of California has gone through cutbacks and through furloughs and been able to handle it. I mean, everybody was worried, and it has had an effect, but I think Washington has been ignoring that we have a major—government has been through years and years of furloughs, and we can learn some lessons from them, particularly in the research department. I don't know how they handle all this, because you are right, you can't just drop research and then start it up later.

But I hope that we can learn some lessons from your colleagues in that area.

I have a couple of other questions, Mr. Chairman, but I guess my time is up.

Mr. ADERHOLT. Mr. Fortenberry.

#### DROUGHT RESEARCH

Mr. FORTENBERRY. I don't want to be impolite if I cut any of you off, but I want to get to three things, so I will try to pack them. So if we could confine our conversations and move it along quicker, that would help.

I want to talk about the drought. You all know the circumstance where I live in Nebraska, and in many places particularly in the

Midwest. Is it time to institutionalize, if you will, drought mitigation and research capacity? We are doing this work, we have strung it along, but to formalize structures in that regard, is this under consideration?

Dr. WOTEKI. I can say that referencing our action plan, that the whole question of water, water availability, as well as the development of adaptation and mitigation strategy is an important subgoal within our research activities. It is reflected, as well, in intramural and extramural research programs to develop, for both crops and livestock, resilience to drought conditions. So this is a priority for us, and it is reflected in the action plan as well as in the research plans of both ARS and NIFA.

Mr. FORTENBERRY. Well, we have spent about \$15 billion of payouts through crop insurance basically to mitigate the effects on income, which is important and helpful. We have advanced technologies in irrigation for proper stewardship of water. But there is a point where you can only do so much to mitigate the revenue damage to producers.

Driving through rural Nebraska the week before last, I was straining my neck looking at at the level of the farm ponds, and I was pleased to see that some water had been replenished from the winter. But one of my producers in the area told me that is just the water table, Jeff; there is still a ways to go.

So hopefully we are a little bit better off this year just in terms of the weather patterns thus far, but, again, getting underneath this with a sustained research model that helps mitigation, thank you for suggesting that is a priority.

#### NUTRITION INFORMATION

Let us move also to the nutrition side. We have got obviously a growing awareness of the correlation between health outcomes and nutrition. We all know that intuitively. We know it by common sense. This has been a major priority of the Department. But I think, again, we have lost some important institutional dynamics that used to be ordinary.

For instance, it might sound anachronistic and old-fashioned, but the whole concept of home economics as it was integrated into school systems, taught with regularity, brought into the home with regularity, and there is a lot of sociological factors at work here that perhaps make it more of a challenge, particularly with the fragmentation of family life. Many kids have sedentary lifestyles. I mean, I used to ride my bike home or walk home when it was warm. Neighborhoods are such that perhaps you can't let children do that anymore. A lot of children are on their own, unsupervised, they have to stay inside. So all of these things are contributing to lifestyle difficulties. But also, Congressman Farr has pointed out some other dynamics in just what we eat, which become simpler and easier.

So all of these factors go into these problematic outcomes. But I think we ought to wave the flag here again and say, look, we have got bodies of research, and in the past we have had this well integrated into school systems that not only are evident in the cafeteria, but actually are integrated into children's education. Let us wave that flag again.

Dr. WOTEKI. To respond partially to your question and to Mr. Farr's nonquestion about what are we doing with respect to our research findings and the changing of the culture, I would just like to make two major claims, and one is that the research programs that Dr. Bohman, Dr. Ramaswamy and Dr. Knippling described in human nutrition are very important in establishing the evidence base for program and policy decisions that the Department makes as well as that other departments make. And a good examples of that is the research base that has informed the new regulations on competitive foods that have been proposed for the schools as well as for the school lunch standard. So we can see where our research programs are having applications in program and policy decisions.

The second point I want to make is that we have been working over this past year with Under Secretary Kevin Concannon, who is responsible for the food assistance programs within the Department, and also with Dr. Howard Koh, the Assistant Secretary for Health at the Department of Health and Human Services, to establish an interagency—

Mr. FORTENBERRY. Just to break up the silos, as Sam Farr said?

Dr. WOTEKI. Exactly, exactly. To coordinate our work on human nutrition, both from the research perspective and from the education perspective.

We are also participating with colleagues from the Centers for Disease Control and with the National Institutes of Health, along with the Robert Wood Johnson Foundation, a number of leading academics in the national coordinating committee on obesity research so that we are able to bring together all of the agencies' expertise on this along with the research community and the Robert Wood Johnson Foundation to examine what is coming out of these various research programs, and how can they also be used more effectively in policy development.

Mr. FORTENBERRY. Thank you, Mr. Chairman.

Mr. ADERHOLT. Ms. Pingree.

#### ANTIMICROBIAL RESISTANCE

Ms. PINGREE. Thank you, Mr. Chair.

And I will go off in another direction, although it is all interesting to me. I want to talk a little bit about antibiotics and livestock and research around that. In 2011, the GAO issued a report showing data collected by USDA and HHS lacked crucial details necessary to examine the trends from relationships between antibiotic use in food animals and drug-resistant bacteria in animals and the growing problems with that. Given the concerns about health and food safety and the implications of antibiotic-resistant bacteria, funding for this research is critical to fully evaluate the use of antibiotics in food animal production.

I was encouraged to see that the President's budget included funding to ARS to develop alternatives to antibiotics to combat antibiotic resistance in livestock. Could you talk a little bit more about the work? Is there coordination with the FDA on the topic of the antibiotic resistance in general? And I know some of the research is going on. And can you also talk a little bit about the outreach to farmers and the public on results and recommendations?

Dr. WOTEKI. We are also concerned about the emergence of multidrug resistance—they are linked to food-borne pathogens—and have, both in ARS as well as in NIFA budget, proposals that would increase our funding available to address antimicrobial resistance in food animals.

We do participate, to your second question, in the Interagency Task Force on Antimicrobial Resistance, and that task force has developed a public health action plan in which our agencies are responsible for a number of actions that are based on our research programs.

The Agricultural Research Service, as a case in point, under this action plan is working to identify strategies for minimizing microbial contamination of food. A lot of that strategy has focused on carcass rinses that can be used in poultry production, as well as carcass and hide rinses that can be used to reduce the levels of food-borne pathogens in cattle as they are presented for slaughter.

The ARS also evaluates the development, the persistence and the transfer of antimicrobial-resistant organisms and the resistance genes among those. This is kind of a fundamental understanding that we are developing of how these traits are passed from one organism to another. And ARS also does some very important research that is focusing on the sampling program for the National Antimicrobial Resistance Monitoring System. So we are a contributor to that.

Both the intramural and the extramural programs are also focusing on the development of alternatives to the use of antimicrobials in livestock rearing. Some of those projects have focused on the development of vaccines for the pathogens. Others are developing novel products that can be fed to animals that would provide for growth promotion, but would not use or—you know, essentially would replace antibiotics. And some of these include pre- and probiotics and other active substances that can be safely fed to animals, promote growth, but it would substitute for the use of antibiotics.

So a new focus of research has been to understand, using some of the new techniques of what is called the microbiome approach—to understand the population ecology of microorganisms in the gut of food animals, how those are affected by feeding of antibiotics, and out of those studies to try to identify what are some new and promising approaches that can be used to develop alternatives that would, again, provide for the growth promotion effects, but that would substitute for the use of antibiotics that are now very important for human medicine.

Dr. BOHMAN. May I add something on the economic side? So ERS and NASS conduct an annual farm financial survey, the Agricultural Resource Management Survey, and we have included questions about farmers' uses of the antibiotics and have a research program underway to look at the implications for costs of farmers who do use antibiotics; for those who do and don't, what are complementary strategies that they have been employing; and we are building models to help understand the implications of alternatives.

Dr. RAMASWAMY. If I have the time, I could add one.

So within NIFA, the request for applications, we are going to be doing a \$5 million effort in antimicrobial resistance area. And that is going to look at life cycle analysis, what happens to farm animals from, in quotes, “cradle to grave,” as it were, looking at all of the different facets where you might have the—critical control points where you might have microbes coming in and going out, how do you deal with it.

In addition to that, you asked the question about outreach itself. Our grant proposals will require that the knowledge that is going to be developed is to be translated and delivered to the end user as well. So the Cooperative Extension Service involvement in this is a very critical piece of it.

Mr. ADERHOLT. Mr. Yoder.

#### PUBLICATION OF TAX PAYER-FUNDED RESEARCH

Mr. YODER. Thank you, Mr. Chairman.

I just have a brief question about the publication of taxpayer-funded research. And I am a cosponsor of legislation in the House that would require research that was funded by taxpayer dollars to be—that is published in a journal to be published online after a certain period of time so that other taxpayers and other taxpayer-funded entities, other universities can access the research. And we are constantly advising Federal agencies, universities to figure out how to do more with less. This is an opportunity to save research dollars across the universities in our country. So it is a very positive bill, it is a bipartisan bill.

And I am pleased to see in February a memo from, or the mandate from the President, I guess an administrative directive, entitled Increasing Access to the Results of Federally Funded Scientific Research was issued by the Office of Science and Technology Policy on February 22, 2013.

I guess what I want to know is how are your respective departments preparing to deal with this, and what does the future look like in terms of access to research that is funded through your departments?

Dr. WOTEKI. We are working with our colleagues in the other science agencies to respond to the President’s directive to develop two plans by the end of August of this year. One on how we would provide open access to scholarly publications that are the result of the Federal investment in research, and secondly, how we will provide public access to the data that were also the result of federally funded research projects.

We are, as I said, working with the other science agencies, the National Science Foundation, the National Institute of Science and Technology, you know, across the board, and we will be holding in a month’s time essentially a workshop to get opinions from researchers at universities, scientific societies about the implementation of this directive from the President.

So it is a closely coordinated activity. We are very mindful of the individual researcher in a university and the need to have a coordinated approach, because that individual agronomist or animal scientist may receive funding to support research from the National Institute of Food and Agriculture, perhaps from the National Science Foundation, perhaps from other Federal agencies, and that

any requirements that we place on them have got to be ones that are going to be coordinated, and that will have the least burden possible on the individual investigators.

Mr. YODER. And so that is certainly an important consideration related to how the researchers have to provide this information, and in particular in legislation that we were pursuing, that research not published, then they don't have to publish their works. There are certain rules regarding notes. I know there is a lot of intricacies that go into it. Obviously classified documents can't be produced, and we know there are certain things that we are researching even regarding bioterrorism and those sorts of things. So I appreciate your sensitivity to that.

So you are working through that process. When would taxpayers, constituents be able to research and be part of a fully operating system? What would that timeline look like?

Dr. WOTEKI. Well, we have done some internal discussions for the purposes of trying to answer that question of how long would it take for us to have a system that would be up and operable.

Given that we have been asked to develop a plan, we will be submitting those plans, as I said, in the month of August, and our expectation is that we would not be able to fully implement a new system for probably 18 months beyond that. There will be probably budgetary implications for the development of the IT systems that would handle these new reporting requirements. We would also have to allow the opportunity for the granting agencies in their requests for applications to have the new requirements specified.

So the new system would have to be phased in over time, get the IT systems in place, and then also provide the time for the appropriate notification in the grants, the new grants that would be brought in under this new approach.

Mr. YODER. Great. Thank you for your answer.

Dr. RAMASWAMY. I might add just one quick thing. We did the "back of the proverbial envelope" calculation. We figured it would cost \$100 per publication to be made available in perpetuity.

Mr. YODER. Each time?

Dr. RAMASWAMY. Yes, sir.

Mr. YODER. Okay. Thank you.

Thank you, Mr. Chairman.

#### CENSUS OF AGRICULTURE

Mr. ADERHOLT. Dr. Clark, let me turn to you for just a minute on the Census for Agriculture. I understand the 2012 Census of Agriculture is underway. Your agency is collecting and compiling information received from producer surveys. Could you give us just a quick overview and update on that, and also what the response rate from the producers has been?

Dr. CLARK. We are very pleased that we have a good response rate at this point. We are at 69 percent. That is about 2 million of the 3 million that we have mailed. We have been able to get 270,000 from our Web reporting, which is much more than we expected. This will save us costs, because anything that comes in through the Web does not have to go through a keying operation, and we don't have to do the follow-up.

We just have had two follow-up mailings. So we finished our mail data collection in March, and we are going to field follow-up now for the important operations that we still want to collect data from, the large operations, the minority farm operations, the ones that we want to make sure that we meet our coverage goals. And we will be calling counties that have less than a 75 percent response within their county so that we can provide an equitable amount of data for each of the counties in the United States.

We have a unit in our operating center which we established about 18 months ago in St. Louis that is working on the editing. We may have some slowdown in the operations because we only hired half the number of people that we had initially planned to hire for this Census. We are down in our staffing because of the budget reductions.

So we are still hoping that we will be able to publish our results in February. The main things that we have had to change because of sequestration and rescission include reducing—or suspending the conduct of the Census in Guam, the Virgin Islands, Samoa and the Northern Mariana Islands, and we will not be producing two special products, ZIP code tabulations and county profiles. But we were pleased that we did get the anomaly, which was the additional funding to do the Census, to do the data collection for the Census, but that was not at the level that we had originally hoped for, so we did have to make some accommodations in the Census.

Mr. ADERHOLT. Thank you.

Mr. Farr may have a follow-up question, so let me go ahead and turn it over to you.

Mr. FARR. Why do it every 5 years? The national Census is every 10 years.

Ms. CLARK. Well, because agriculture changes a lot in the interim. The Census of Agriculture is part of the economic census of the United States. It started in the Census Bureau in about 1840, and until 1997 was conducted as part—by the Census Bureau. It was moved in 1997 to the Department of Agriculture, and there have been some positive benefits of doing that. Because of the integration between the Census of Agriculture and the agriculture estimating programs, we have much better coverage of our population because we now have a better list frame that we use for both the census and also for agriculture surveys.

So that is the rationale, and it is part of our economic underpinnings for information and policy, which is needed on an ongoing basis.

#### RESEARCH FUNDING

Mr. FARR. I have a question of Dr. Woteki. You have a \$2.8 billion program, your four mission areas sitting next to you. I couldn't figure out exactly because it is broken out in so many different ways, but for your whole Department I would be interested in seeing how much of the funding goes for competitive grants in all of the departments, how much goes for just formula funding, and how much is for in-house research. That is sort of extracting, you know, the labor costs. If you could break that out. I think I am always interested in moving more of it to competitive, but I would just like

to see what it all is. I know it is pretty easy to see within the ARS, which is about 50–50.

[The information from USDA follows:]

United States Department of Agriculture  
Research, Education and Economics (REE) Mission Area Funding\*  
(Dollars in Thousands)

Agency	Extramural Funding										Total Budget Authority
	Intramural Funding	% of Agency Total	% of Mission Area Total	Competitive Funding	% of Agency Total	% of Mission Area Total	Formula Funding	% of Non- Agency Total	% of Mission Area Total	Coop. Agreements/ Other Funding	
ARS	\$1,014,912	93%	40%	0	0%	0%	0	0%	0%	\$79,735	3%
NIFA	0	0%	0%	\$431,375	36%	17%	\$737,114	61%	29%	38,497	2%
NASS	107,732	68%	4%	0	0%	0%	0	0%	0%	50,884	2%
ERS	73,544	55%	3%	0	0%	0%	0	0%	0%	4,179	5%
Total, REE	1,196,188	N/A**	47%	431,375	N/A**	17%	737,114	N/A**	29%	173,295	N/A**
											2,537,972

\* Funding reflects FY 2012 enacted.  
\*\* Not Applicable (N/A).

## SUSTAINABLE AGRICULTURE RESEARCH AND EXTENSION (SARE)

I have a concern. The President's budget last year included individual requests for the SARE program. The requests were separated into an extension component and research and education component. This year the President's budget includes a single request for \$22.7 million for both.

What is the amount that you will—and I hope that we want to keep them, both components, funded—what is the amount that you will allocate for extension component and for research component of the 22.7?

Dr. RAMASWAMY. Congressman Farr, indeed we are proposing an allocation of \$22.7 million for the SARE program. You know, you can't separate the research from the extension. We wanted to bring it all under one line. In that amount we have a proposal for an actual increase of almost \$3 million compared to last year.

Mr. FARR. For extension or for—

Dr. RAMASWAMY. Well, complete integrated SARE program. When you look at these things as being integrated, you cannot separate the discovery process from the delivery process. At the institutions and other organizations where SARE funding is provided, researchers and extension folks, they all live and work together. Sometimes it is the same individual that does that work as well. So—

Mr. FARR. Well, often when you combine programs, you know, one suffers at the expense of the other. They are both important, as you pointed out. So I think that as long as you are committing to keep both going—

Dr. RAMASWAMY. Yes, sir. You have our commitment. Absolutely. Positively.

Mr. FARR. All right. Well, I just want to conclude by just saying I think this hearing has been, for me, of all the years I have been on the Committee, this has been a very interesting one. I could sit here all day, because I think of you as being the brain trust for the information that Congress needs to set policy.

But I have been very critical of the government the longer I get here about how much of our information stays in academic circles and in our traditional ways, and at the same time society and sort of the—as the Secretary was talking about is how do you initiate new people? If the average age of farmers in the United States is 66 years old, where is the next generation of farming coming? What are the kinds of policies? And he was talking about using research lands that we are giving up to allow start-up farms for veterans and things like that. Those are the really exciting kinds of things that I think Congress would be very interested in.

## APPLICATION OF RESEARCH

I would just hope that in your areas, because you are all policy wonks, is how do you take the data that you are doing and apply it? We need the application process brought to us. We got all this information. How are we going to get it out there so it works? Because it is exciting stuff.

I love data, but I don't like data that is not applied, and I think that is where we lack the thrust to do better application of infor-

mation that we have gained, particularly in this health area. I mean, I think there is going to be a big push to move wellness into the Department of Health, because I think wellness is going to be the future of medicine in America. We know a lot about disease; we are just beginning to learn about what it takes to stay well and healthy.

So please push.

Mr. ADERHOLT. Mr. Fortenberry.

Mr. FORTENBERRY. Well, Congressman Farr is actually anticipating some of my comments, because I wanted to go back to our conversation, Dr. Woteki, about how we elevate the stature of the Department in reviving, if you will, its past and its integration into broader areas of society so that we are extending good research and proper formation around things that are good for people, the very purpose of which we have these policies.

We have made some advances in the last few years, particularly in the area of wellness. That whole word is now, I think, a generally accepted term. It has been integrated into workplaces in a lot of areas. There is an increased focus, obviously, on the right balance for school lunches, although we have got to make sure kids aren't hungry. Those are the primary emails that I have gotten of late.

At the same time, again going back to our very prominent past where we called things home economics, and we had really a fuller program integrated into schools, I think, to your point, new policy research should be built upon, again, the past, because we already have a great body of knowledge that has worked well in previous times, and we are under stresses because of, again, sociological change as to how to adapt, but I don't think we should be afraid either to talk about that sociological change and how it is related to these outcomes in health.

I completely agree with what Congressman Farr said. This correlation between nutrition and health is, again, intuitive, but there is a growing recognition that we must grasp this in a serious manner and make it an integral part of broader policy in the country. But you have already done that for well over 100 years.

So, again, elevating the role of the Department in the arena, we are going to call it health, but, again, because of the correlation between nutrition and health, to me is absolutely essential.

#### NEW RESEARCH

It is related to the last point I wanted to make, and I wanted everybody to respond to this right quick, and you are welcome to respond directly to what I just said. But I like a simple question that simply asks this: What is old that we can get rid of that no longer makes sense, and what is new, emerging trends where we need to be entrepreneurial and creative in policy thinking, that actually address what the underlying purposes of our whole expenditures are here, namely a good, vibrant, healthy, economically sound country in order that people can find the fullness of their capacity?

So, again, what is old that we need to let go of or rethink, and what are emerging models that we need to focus on?

Dr. WOTECKI. Well, very quickly, with respect to the what is new that will also have an impact on the greater public as well as on

the design of programs is the small, but very important initiative that is in the ERS budget, the \$2.5 million that is focused on behavioral economics as well as the use of administrative data to evaluate programs. That small \$2.5 million budgetary request is essentially a reorientation of programs within ERS to pursue research that we think is going to help develop those policy nudges to move the public in the right direction.

Mr. FORTENBERRY. It is a very good point. Nudge is another word. I think that will become the space, the public policy space, or the word du jour in the public policy space as to how we creatively think of policies that incentivize and are consistent with what people would naturally desire in order to achieve these outcomes.

Dr. WOTECKI. Yes.

Mr. FORTENBERRY. Good. That is interesting.

Dr. WOTECKI. And with respect to what is old, we do have within the mission area and within each of the agencies a periodic review of our programs, and this budget does reflect the new directions in which we think our programs should be going as well as a deemphasis on areas that are either mature research, or in which the problem has been largely addressed and that we think we need to reorient our funds towards higher-priority projects.

Mr. FORTENBERRY. Well, in any organization, particularly in a large one like yours, there is a tendency for stasis. It is understandable in any large organization, because you have done good work in the past, it has worked, it made sense, and there is interest around it. But we all have to figure out ways to deliver smart and effective government services while saving money. That is just where we are. So thank you very much.

Mr. ADERHOLT. I know you wanted to hear from the rest of them, but maybe they could submit that to the record and each respond what the old and—what needs to be thrown out and what needs to be looked at as new.

[The information from USDA follows:]

## OLD VERSUS NEW RESEARCH

**Agricultural Research Service**

The mission of the Agricultural Research Service (ARS) is to conduct research to develop and transfer solutions for agricultural problems of high national priority and to provide information access and dissemination to ensure high-quality, safe food, and other agricultural products; assess the nutritional needs of Americans; sustain a competitive agricultural economy; enhance the natural resource base and the environment; and provide economic opportunities for rural citizens, communities, and society as a whole.

In order to achieve this mission and maintain the relevancy of research conducted by the Agency, ARS conducts an internal project review and renewal process for each National Program on a 5-year cycle. As research projects near the end of their 5-year life, ARS scientists and National Program Leaders assess the progress of the research and solicit from stakeholders their assessments of the research achievements and how research results have met their needs. The stakeholders share with ARS their priorities for future research, reflecting on their knowledge of emerging threats, new production and consumer trends within the industry, and long-term research necessary to the industry's economic viability, but that is unlikely to be undertaken by the private sector.

This periodic retrospective/prospective assessment of projects allows ARS to remain flexible and responsive, and provides ARS leadership an opportunity, as needed, to revise and refresh research goals and direct research to high-priority issues of greater value to stakeholders.

A case in point is the ARS research that eradicated the screwworm fly, which every year caused hundreds of millions of dollars of costs and losses to the U.S. livestock industry. ARS developed the sterile insect technique that eliminated the fly population completely within a short time. However, the threat of reinfestation remains, and ARS, in collaboration with the USDA Animal and Plant Health Inspection Service, has shifted its research focus to improving the production of sterile males and developing better diets that allow the sterile males to better outcompete fertile males, thus keeping the fly population at manageable levels.

A new area that ARS is pursuing as highlighted in the fiscal year 2014 President's Budget is the challenges and opportunities presented by "Big Data."

ARS conducts many research activities that result in the building of large and complex data sets. These data sets have value to both the researchers who created them and to the broader research community who may be able to "mine" them for novel information. Two examples of these types of data sets are genetic sequence data from all forms of life—from microbes to plants to livestock, and environmental data, including earth observation data from remote sensing.

The ability to use the data sets and to share them with other researchers requires investments in expertise for the management and interpretation of these data sets. ARS needs to seek out new types of scientists, informaticists, who will be integrated into research teams working with "Big Data" to facilitate the interpretation and sharing of these complex data sets. ARS also proposes to enhance research that relies heavily on "Big Data" to solve problems relating to crop yields, feed efficiency of livestock, erosion, and climate adaptation. In addition, ARS will use this data to develop models for agriculture that will enhance profitability and environmentally sound farming practices.

#### **Economic Research Service**

ERS evaluates research priorities for food, agriculture, natural resources and rural development on an ongoing basis. Our goal is to provide research, and analysis that anticipates policy issues and provides data and indicators that monitor the health of the sector. ERS will focus on the areas that are most important in informing decision makers and on the topics where we have particular strengths as an intramural Federal research agency. We will also continue to look for ways to operate more efficiently and continue to innovate in the delivery of our information and data products. Recent examples of activities that are old and have been eliminated or reduced in scope include analysis of small producing and exporting countries where other information is available. For example, ERS expanded research on Eastern Europe following the fall of the Soviet Union but no longer separately covers countries that have joined the European Union. We no longer produce independent analysis and forecasts of macroeconomic trends as this information is available at a reasonable cost from multiple vendors. Our major investment over multiple years in the economics of invasive species has provided a foundation for research on specific issues such that we have cut back on the program. We have cut the Food Assistance and Nutrition Research Program extramural grants. This was a successful initiative, but we do not have funds to continue the program.

The ERS initiative in the FY 2014 budget would expand two new approaches to policy relevant research--behavioral economics and statistical use of administrative data-- that ERS has started to use in analysis of child obesity, SNAP, and conservations programs. New research projects emerge from the regular strategic planning processes held by the Agency's research divisions. Examples of new research activities include the implications of global demand and supply shocks for the long-term future of agriculture, the linkages between rural community wealth and health care provision, agricultural export restrictions, the food purchase choices of low-income households (using data from the National Food Acquisition and Purchase Survey), and the relative contributions of specific foods to illnesses caused by major foodborne pathogens.

## National Agricultural Statistics Service

The National Agricultural Statistics Service (NASS) did a complete review of all the reports included in its Agricultural Estimates Program and all the components of the quinquennial Census of Agriculture Program during FY 2011.

As a result of this review NASS changed the periodicity of a number of reports - some weekly reports became monthly, some monthly became quarterly, and some quarterly became annual. Reports less frequent than annual were moved within the five year periodicity of the census cycle. Reports were designated as core if they met specified criteria:

- Directly impact the market,
- Directly contribute to the Federal Principle Economic Indicators of the United States,
- Provide data for which NASS reports are the only publically available sources of information,
- Support USDA program delivery, and
- Have specific legislative requirements for release.

All remaining reports were ranked in priority order.

Those statistical programs eliminated in FY 2011 and FY 2012 fell in the lower priority. This procedure was also used in FY 2013 with the recent funding reductions due to rescissions and sequestration.

To examine what is new NASS has placed questions on the 2012 Census of Agriculture form that would identify operations with specific characteristics for example: organic, energy production, land use practices, management practices, and production of value added commodities, harvesting biomass, marketing to retail outlets, on-farm packaging, and direct sales of commodities. This data allows NASS and users to assess the need for any additional surveys or reports. Then proposals meeting these data needs can be prepared and assessed for priority in funding.

Additionally, the NASS has engaged in a number of operational efficiencies that allow the agency to be more efficient and responsive to the operational aspects of data collection, processing, and publication as well as providing higher quality data products. This has involved changes in computer hardware and software, the establishment of a centralized operational center, instituting videoconferencing for meetings and training, enhancing research directed to improved data products, and realigning field offices into larger regional sites for data review and dissemination functions and two person State sites for stakeholder and farm operation relations.

This organizational transformation is still in process and NASS anticipates the organizational structure changes will be complete this year. Computer systems development is still in progress and will be continuing as re-engineered systems are made operational in the following two years. These changes have impacted staffing and skill needs within the organization. This re-engineered infrastructure will allow NASS to be more flexible in meeting its own program needs and responding to other agricultural and USDA and state information needs.

NASS continues to strengthen the agency's statistical foundation through investment in research. One objective of the NASS research is to

increase the transparency and reproducibility of the estimation program. The NASS mission remains the same to provide timely, accurate, and useful statistics in service to U.S. agriculture.

#### National Institute of Food and Agriculture

The National Institute of Food and Agriculture (NIFA) works across the federal science enterprise to solve emerging problems facing the nation's food, fuel, and fiber production system.

Examples of new areas of focus for NIFA programs include:

- Targeted efforts that focus on solutions to high priority challenges including production agriculture; adapting crop and livestock agriculture to climate variability; addressing critical water and water resources problems; reducing childhood obesity; improving food safety and nutrition; and ensuring sustainable agriculture that provides for food security and meets goals for biofuels, while strengthening rural communities;
- Support for a new Food, Agricultural, Natural Resources, and Human Sciences Education and Literacy Initiative within Agriculture and Food Research Initiative (AFRI) to enhance the science, agriculture, food, and environmental education and literacy in schools and colleges across America;
- Continued support of foundational science that includes initiating the Critical Agricultural Research and Extension Competition, which focuses on short-term issues important to agricultural production through AFRI competitive grants;
- Maintaining support for capacity funds;
- Supporting minority-serving programs; and,
- Enhanced linkages among producers, scientific discovery, and application of sustainable practices through a single Sustainable Agriculture Research and Education Program that combines two research and extension lines previously funded through different accounts.

Mr. ADERHOLT. Ms. Pingree.

#### APPLICATION OF RESEARCH

Ms. PINGREE. Thank you, Mr. Chair. I know we are trying to wrap up here, and I appreciate the chance just to make one last what I think is a fairly brief comment to follow up on some of what I was talking about in my last question. I do also want to associate myself with the remarks of Mr. Farr. I think that it is wonderful to have you all as a research brain trust, and it has been very interesting for me to hear from all of you today.

Mr. Fortenberry, I just want to make sure that I concur with you. Home economics was one of my favorite subjects in school, and were we able to sponsor a bill to bring that back in, I would be all in favor of that. I don't know how our educational institutions would feel, but lots of great things were learned in those areas that could apply.

Just to follow up, Mr. Farr was talking about the challenges that we have about new farmers and sort of what the future of agriculture is going to look like, and I always feel lucky to be from Maine, which was once an agricultural powerhouse State, and then it started to wane. But now we find in our State statistically the average age of our farmers going down, and the number of farms under cultivation is going up. We are not still the Midwest or the blockbuster States, but it is a nice trend to be watching. And I think a lot of it has to do with some of the things I talk about a lot, which is the local food and farming, the interest people have in where their food comes from, healthier school lunches, buying more from farmers, all kind of things that I think are a growing market, and a growing opportunity, and a real trend in agriculture.

#### ANTIBIOTICS

Some of that comes from paying attention to what consumers' concerns are. And I just wanted to kind of editorialize on the issue I brought up earlier on antibiotics in animal feeds. It is not the number one problem, it is not the only issue that we are looking at, and I appreciate the fact that there is money in the President's budget around alternatives, and you listed a very long and helpful list of things that people are looking at.

But I do want to say, since much of my attention is attuned to what is in the popular press, what consumers are worried about, there has been a lot of focus and attention both on the area of food safety, but also the resistant antibiotics, and then this issue about the overuse potentially in animal feeds.

I just want to make sure that as you are going through that, that there really is a focus on best practices. You know, I don't think the consumer is comforted by the idea of carcass rinses. You know, I think that those are the things that make people nervous; that we have a problem, and we try to scrub it up, we try to think of a new drug, we try to just stick with the same system. I really am not a scientist here, and I am not even an agricultural scientist, but I know that some of it has to do with our animal practices. Some of it has to do with things that aren't allowed in other countries. Some of it are about things that I think many young and new farmers don't want to have to use a lot of antibiotics in their feed.

So I just hope that a lot of your research is also looking at some of these ideas that in some ways go back to old ideas or old practices that good farmers used, because that is really what the consumer is looking for. Obviously, in the field of organic agriculture and the growing interest in feeds and without antibiotics in milk, that doesn't have antibiotics in a lot of things, that consumers are asking for that; so also helping farmers to understand what practices work well so that the necessity isn't there unless there is a disease outbreak and you have to use antibiotics.

So you listed a lot of things. I just wanted to make sure that that is also high on your list as you are looking to alternatives, and that you are hearing what consumer worries are out there, because in the long run, that is where farmers have their new markets and their profitable markets, and I think they need to have the support and backing from you in the work you do so that that is clearly out there.

I will close my remarks. Thank you again.

Thank you, Mr. Chairman.

Mr. ADERHOLT. Thank you, Ms. Pingree.

And that concludes our hearing for today. I thank each of you for being here and your testimony. We look forward to working with you as we proceed on with the fiscal year 2014 budget. Thank you.

UNITED STATES DEPARTMENT OF AGRICULTURE  
 USDA RESEARCH, EDUCATION, AND ECONOMICS MISSION AREA  
 QUESTIONS FOR THE RECORD  
 HOUSE AGRICULTURE APPROPRIATIONS SUBCOMMITTEE HEARING  
 APRIL 17, 2013

QUESTIONS SUBMITTED BY CHAIRMAN ROBERT ADERHOLT

REE Mission Area

Methyl Bromide Transition

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to methyl bromide transition, including the participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: The USDA Agricultural Research Service (ARS) Methyl Bromide Alternatives National Program encompasses research to determine alternatives to this pesticide.

Selected research highlights for fiscal years 2009-2012 include:

- Demonstrated that adding oxygen to phosphine greatly increased effectiveness and reduced damage of postharvest treatment of leafy vegetables.
- Determined the optimal grafting angle to increase survival of herbaceous plants grafted onto resistant rootstock.
- Developed a low pressure postharvest treatment to kill codling moth.
- Developed a trapping system for beetles in stored products using a selective wavelength of light.
- Determined that the addition of broccoli-type seed meal reduced nematode populations in the soil for two growing seasons.
- Effective methyl bromide alternatives were demonstrated in production of raspberry nursery stock.
- Alternative fumigants were integrated with improved plastic mulches to replace methyl bromide in strawberry production.
- A GPS-controlled shank injection system was introduced for spot fumigation in orchards.
- Methyl bromide alternatives were introduced for cut flower and bulb production.
- Low permeable films that reduce fumigant emissions were introduced.
- A novel red flour beetle trap was developed.
- Monitoring of stored-product insect populations in food processing facilities is occurring.
- Ultra-low oxygen treatment for postharvest control of western flower thrips on lettuce was introduced.
- Pure phosphine fumigation at low temperature was introduced to control western flower thrips on lettuce, broccoli, asparagus, and strawberries.
- Quarantine strategies were developed to control Hessian fly in exported hay.

- Methyl bromide alternatives were optimized for forest nursery seedling production.
- Monitoring methods were improved for navel orangeworm in almond crops.
- New technologies were developed to identify soil-borne plant pathogens.

As a result of alternatives identified by research, the U.S. use of methyl bromide has been reduced by 98 percent compared to 1991 baseline levels. Further research is currently addressing the remaining 2 percent of use, which consists of recalcitrant problems and new problems that have emerged in some cases as alternatives have been implemented. In FY 2012, USDA research was focused on seeking economically viable alternatives for pests and diseases where methyl bromide is still currently needed. This includes addressing the recent loss of methyl iodide (an alternative to methyl bromide) following its removal from the marketplace by the manufacturer (Arysta) in March 2012. For fiscal year 2013, ARS methyl bromide research includes continuation of all aspects of the base FY 2012 research program.

ARS base research activity related to methyl bromide transition funding in fiscal year 2009 was \$19,497,000; fiscal year 2010 was \$19,756,000; fiscal year 2011 was \$20,196,000; fiscal year 2012 was \$18,362,000; fiscal year 2013 is estimated at \$18,362,000; and fiscal year 2014 is estimated at \$18,216,000.

The National Institute of Food and Agriculture supports research on methyl bromide; it provided \$3,304,000 in FY 2009, \$3,801,000 in FY 2010, \$2,914,000 in FY 2011; and \$2,469,000 in FY 2012. In FY 2013, this program will continue to support the discovery and implementation of practical pest management alternatives for commodities affected by the methyl bromide phase-out. In FY 2014, NIFA is not requesting funding for this program. However, alternatives to methyl bromide research may be addressed through a comprehensive integrated pest management strategy funded under the Integrated Activities' Crop Protection/Pest Management (CP/PM) program.

The Economic Research Service (ERS) conducted no research in this area during fiscal years 2009 through 2011. During fiscal year 2012, ERS conducted analysis of the current economic issues of the U.S. Methyl Bromide phase out and critical use exemptions, and in 2013 analyzed how the methyl bromide phase-out affected California strawberry production. ERS plans no research for fiscal year 2014 in this area.

[The information follows:]

ERS activities related to Methyl Bromide	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Methyl Bromide Research	\$0	\$0	\$0	\$67,116	\$16,444	\$0
Total	0	0	0	\$67,116	\$16,444	0

## ARS and NIFA Funding for Methyl Bromide

Mr. Aderholt: Please update the chart included in the fiscal year 2013 hearing record showing the funding level for ARS's and NIFA's work on methyl bromide for each of the fiscal years 2000 through 2013 and estimated for fiscal year 2014.

Response: The information is provided for the record.

[The information follows:]

	<u>ARS Funding</u>	<u>NIFA Funding</u>
2000 Actual	\$14,855,000	\$2,558,000
2001 Actual	16,681,000	2,944,000
2002 Actual	17,880,000	2,847,000
2003 Actual	18,051,000	3,817,000
2004 Actual	18,046,000	3,385,000
2005 Actual	18,200,000	3,817,000
2006 Actual	18,288,000	3,657,000
2007 Actual	19,081,000	3,785,000
2008 Actual	19,602,000	3,506,000
2009 Actual	19,497,000	3,304,000
2010 Actual	19,756,000	3,801,000
2011 Actual	20,196,000	2,914,000
2012 Estimate*	18,362,000	3,016,000
2013 Estimate	18,362,000	2,595,000
2014 Estimate	18,216,000	457,000

\*FY 2012 is still an estimate for NIFA. FY 2012 reporting is not complete.

## Organic Agriculture

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to organic agriculture, including the participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: ARS conducts research that directly addresses needs of organic producers at 20 ARS locations across the United States. ARS organic research emphasizes whole-system preventive solutions, rather than one-for-one substitution of conventional production materials and practices with organic ones. ARS provides significant information resources through the National Agricultural Library (NAL). The largest of those resources is the Alternative Farming Systems Information Center (AFSIC).

Much of ARS' organic research is conducted under the National Program for Sustainable Agricultural Systems. The ARS program in sustainability was reviewed by an outside peer panel in December 2011 and a national customer/stakeholder workshop was held in February 2012 to solicit priorities for the

next five-year project cycle. This input was used to develop a new nationwide research plan, and subsequently to develop new projects at ARS locations throughout the country to begin in 2013. The workshop identified the following two priority research areas for future projects: 1) Field research to improve understanding of biological and cultural management practices including yield limiting factors, nutrient and weed management, and integrating cover crop management techniques into organic production systems (grain and vegetable) to control pests and improve organic crop yields; and 2) Field studies to implement organic cropping systems into integrated cropping-livestock farming operations that include improving organic forage yield and quality with organic inputs, while improving nutrient retention. The new research project plans are currently undergoing review by outside peer panels. When approved by the panels as scientifically sound, the projects will begin later in 2013.

[The information follows:]

			Total
Budget	<u>Direct</u>	<u>Indirect</u>	<u>Authority</u>
2009	\$16,868,000	\$40,030,000	\$56,898,000
2010	\$17,235,000	\$40,951,000	\$58,186,000
2011	\$14,082,000	\$39,554,000	\$53,636,000
2012	\$12,598,000	\$30,728,000	\$43,326,000
2013 Estimate	\$12,598,000	\$30,728,000	\$43,326,000
2014 Estimate	\$11,797,000	\$27,640,000	\$39,437,000

NIFA supports research on organic agriculture; it provided \$19,842,000 in FY 2009, \$25,000,000 in FY 2010, \$23,992,000 in FY 2011; and \$24,000,000 in FY 2012. The Farm Bill has not been reauthorized, therefore, the Organic Research and Extension Initiative was not funded in FY 2013. However, for the Organic Transition program in FY 2013 and 2014, NIFA plans to continue supporting the development and implementation of biologically based pest management practices that mitigate ecological, agronomic and economic risks associated with a transition from conventional to organic agricultural production systems.

During fiscal years 2009 through 2012, the Economic Research Service (ERS) conducted research on the practices, challenges, production risks, and adoption of organic farming systems in the U.S. Research also examined the implications of structural and policy changes in organic product markets, how organic producers have responded to the changes, and how consumer interests are being reflected in producer decisions. ERS continued to provide statistical reports and analysis on certified organic acreage and livestock, by state and by commodity. ERS also helped the National Agricultural Statistics Service (NASS) develop and launch USDA's first nationwide census survey of organic producers.

During fiscal year 2013, the Agricultural Resources Management Survey (ARMS) data has been used to incorporate the practices used in organic systems into an online database of the practices used in conventional production systems in the U.S. Ongoing research in fiscal year 2013 that will continue in 2014 examines differences in farm production costs of organic and conventional production systems for major agricultural products, including corn and dairy, and estimates the price premiums needed to make organic

systems competitive with conventional systems. Research is examining how changes in U.S. organic policy might affect the types and sizes of dairy operations that can be certified to produce organic milk. ERS is also examining the costs and practices, such as physical distancing and product segregation, used by non-genetically engineered (GE) producers to meet consumer expectations for differentiated product markets for GE and non-GE products. Data collected in the ARMS and other USDA surveys is being used to examine the economic causes and consequences of unintended GE presence risk and the adoption of risk mitigation practices in order to inform the development of mitigation strategies. Several summer internships have been funded to assist with this project. Many new products with non-GE label claims have been introduced into U.S. supermarkets over the last decade and ERS is examining the retail prices for these products as well as the non-GE price premiums in commodity markets. ERS will update estimates of certified organic acreage and livestock, by state and by commodity, based on information from U.S. organic certifiers. Finally, ERS is expanding analysis of consumer demand and retail price premiums for organic food to include processed as well as fresh products.

[The information follows:]

ERS activities related to	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Organic Agriculture	\$1,114,000	\$1,638,000	\$1,638,000	\$1,638,000	\$1,638,000	\$1,646,000
Organic Agriculture Research						
Total	1,114,000	1,638,000	1,638,000	1,638,000	1,638,000	1,646,000

## Sustainable Agriculture

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to sustainable agriculture, including the participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: The USDA-ARS projects contributing to long-term agricultural sustainability use an interdisciplinary systems research approach to bring together the diverse expertise needed to understand how different kinds and sizes of farms function, and how changing or introducing new technology will affect their economic and environmental sustainability.

The ARS program in sustainability was reviewed by an outside peer panel in December 2011 and a national customer/stakeholder workshop was held in February 2012 to solicit priorities for the next five-year project cycle. This input was used to develop a new nationwide research plan and, subsequently to develop new research projects at ARS locations throughout the country, which will begin during 2013. Research priority areas under the new research plan include: 1) Agronomic Production Systems; 2) Specialty Crops and Organic Production Systems; 3) Integrated Whole Farm Production Systems; and 4) Integrated Technology and Information to Increase Customer Problem Solving Capacity.

ARS research activity related to sustainable agriculture funding in fiscal year 2009 was \$488,640,000; fiscal year 2010 was \$511,129,000; fiscal year 2011 was \$490,090,000; fiscal year 2012 was \$470,223,000; fiscal year 2013 is estimated at \$470,223,000; and fiscal year 2014 is estimated at \$482,833,000.

The Economic Research Service (ERS) conducted research during fiscal years 2009 through 2011 to examine the characteristics of commercial and manure nitrogen use by U.S. crop producers, and the scope and methods for promoting more efficient use of nitrogen for crops that reduce greenhouse gasses and air and water pollution; differences in the production costs of corn and wheat producers who adopt conservation versus conventional tillage systems and apply nitrogen at and above agronomic rates; and crop choice as the solution to short- and long-run optimization problems.

In fiscal year 2013, ERS released a report examining different beef production systems, including conventional, organic, grass finished, and natural. The report examined the different characteristics of these production systems as they relate to resource use, production efficiency, land allocation, environmental impacts, and nutrition.

During fiscal year 2012 and 2013 and continuing through 2014, ERS conducted and is continuing ongoing research examining the extent to which environmental gains associated with conservation and environmental programs respond to external incentives and changes in program design. A second set of projects will focus on the potential role of auctions, bidding, and other forms of economic and informational incentives in influencing farmers' behavioral responses to alternative markets for environmental services.

[The information follows:]

ERS activities related to Sustainable Agriculture	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Sustainable Agriculture Research	\$33,269	\$33,948	\$33,948	\$12,837	\$12,837	\$12,965
<b>Total</b>	<b>33,269</b>	<b>33,948</b>	<b>33,948</b>	<b>12,837</b>	<b>12,837</b>	<b>12,965</b>

NIFA supports research on sustainable agriculture; it provided \$188,290,000 in FY 2009, \$195,867,000 in FY 2010, \$361,163,000, in FY 2011; and \$362,030,000 in FY 2012.

In fiscal years 2013 and 2014, NIFA's Sustainable Agriculture programs will continue to support systems research and assist farmers and ranchers through projects that address crop and livestock production and marketing, stewardship of soil and other natural resources, economics and quality of life.

#### Wheat Stem Rust/Ug99

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to wheat stem rust/Ug99, including the participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: NIFA supports research on wheat stem rust/Ug99; it provided \$3,314,000 in FY 2009, \$3,337,000 in FY 2010; and \$914,000 in FY 2011. Fiscal year 2012 awards have not been finalized. NIFA expects to provide funds in FY 2013 comparable to FY 2012. Work being carried out under NIFA-funded grants aims to eradicate wheat stem rust/Ug99. An example is the WheatCAP project which features a molecular markers database that can help accelerate the development of wheat varieties with multiple disease resistance genes and improved quality.

Agricultural Research Service (ARS) research on wheat stem rust includes activities on native strains of the pathogen already in the United States and the Ug99 variant strains.

The plan for FY 2013 and FY 2014 follows the current Action Plan of:

1. Cereal stem rust assessment and pathology;
2. Detection and identification;
3. Monitoring and reporting;
4. Germplasm enhancement, gene discovery, and development of molecular markers;
5. Regional variety development, evaluation, and implementation;
6. Disease management; and
7. Communication and outreach.

Funding for ARS research activity related to wheat stem rust/Ug99 is as follows: FY 2009, \$1,500,000; FY 2010, \$3,071,000; FY 2011, \$2,954,000; FY 2012, \$2,954,000; FY 2013 (estimated), \$2,954,000; and FY 2014 (estimated), \$2,954,000.

ERS conducted no research on this issue for fiscal years 2009 through 2012, and none is planned for fiscal years 2013 and 2014.

#### Corn Ethanol

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension research related to corn ethanol, including the participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: There are two Agricultural Research Service (ARS) projects which benefit the corn ethanol industry. In one project, ARS research is enabling technologies for the production of new, high-value co-products for corn ethanol plants. In the second project, ARS scientists are leading multiple institutions in the development of genomic tools to assist corn plant breeders.

In FY 2013 and FY 2014, ARS plans to continue present research efforts in developing value-added products to increase the profitability of ethanol producers, and to improve the genetic performance of corn.

ARS research activity related to corn ethanol funding in fiscal year 2009 was \$2,452,000; fiscal year 2010 was \$1,961,000; fiscal year 2011 was \$1,244,000; fiscal year 2012 was \$1,244,000; fiscal year 2013 is estimated at \$1,244,000; and fiscal year 2014 is estimated at \$1,394,000.

NIFA supports research on corn ethanol; it provided \$151,000 in FY 2009, \$332,000, in FY 2010; and \$531,000 in FY 2011. The FY 2012 data is currently unavailable. NIFA does not plan on supporting corn ethanol with FY 2013 or FY 2014 AFRI Bioenergy funds. Corn Ethanol could be supported with other programs such as formula funds or the AFRI Foundation Program in Economics.

The Economic Research Service (ERS) conducted research during fiscal years 2009 through 2012 to evaluate the impact of an array of policy measures that influence the magnitude, source, and composition of U.S. biofuel corn ethanol production, ethanol imports and exports. ERS also conducted research on the land allocation implications of expanding corn ethanol production in the United States and sugar-cane ethanol in Brazil, and quantified these effects at the global level for 2013.

ERS research addressed how crop and livestock sectors respond to increased demand for corn ethanol and the implications of these regional adjustments on input use, water quality, and soil erosion. Other studies examined the role of Renewable Identification Numbers (RINs) in ensuring compliance with renewable fuels standards, the supply and use of distillers' grains, implications of expanded ethanol production on cropping practices and land use, and global investment in the biofuels industry. In fiscal year 2013 ERS conducted research to understand how recent changes in energy prices and biofuel demand have affected farmers' crop choices, crop production practices, energy and other input use.

During fiscal years 2013 and 2014, ERS research will continue to examine how crop and livestock sectors respond to changing demand for corn ethanol, how biofuel policy affects prices for Renewable Identification Numbers (RINs), and ERS will also continue to explore the economic relationships between energy and agricultural markets in order to improve and enhance routine market outlook and forecasting activities for the major agricultural commodities.

[The information follows:]

ERS activities related to <i>Corn Ethanol</i>	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Corn Ethanol Research	\$744,240	\$759,429	\$759,429	\$559,429	\$559,429	\$565,023
<b>Total</b>	<b>744,240</b>	<b>759,429</b>	<b>759,429</b>	<b>559,429</b>	<b>559,429</b>	<b>565,023</b>

#### Human Nutrition

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to human nutrition, including the participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: USDA's Agricultural Research Service (ARS) conducts research in a network of six human nutrition centers, the first of which was established more than 110 years ago. In 2013 ARS is evaluating existing electronic capabilities for food composition and national diet survey databases. In 2014, new initiatives proposed in the President's budget request will allow us to deploy new electronic tools to help the USDA Food and Nutrition Service (FNS) evaluate the effectiveness of USDA nutrition support programs in improving nutrient intake among participants. We will enhance the functionality of the food composition database to enable tracking over time and differentiation by brand name of foods and by nutrients of concern to public health, particularly sodium and added sugars. In addition, we will determine the nutrient needs of young children and the elderly which were previously extrapolated from values determined for young adults and have been shown to be inaccurate. The latter information will be used by FNS food assistance programs to better target proper nutrient goals in WIC, school, and senior food programs.

ARS research activity related to human nutrition in fiscal year 2009 was \$85,309,000; fiscal year 2010 was \$89,734,000; fiscal year 2011 was \$85,440,000; fiscal year 2012 was \$85,438,000; fiscal year 2013 is estimated at \$85,961,000; and fiscal year 2014 is estimated at \$95,464,000.

NIFA supports research on human nutrition and provided \$115,597,000 in FY 2009, \$123,914,000 in FY 2010, \$158,423,000 in FY 2011; and \$121,976,000 estimated in FY 2012. Updated estimates for FY 2013 and FY 2014 are not available. Projects will focus on children and youth ages, 2-19, to identify the behavioral factors that influence childhood obesity; develop valid behavioral and environmental instruments that measure progress in obesity

prevention efforts; and fund nutrition research to develop and evaluate effective programs to prevent obesity. Funding will support research and outreach efforts to develop and increase consumption of healthy foods that are low in energy (fats and sugars) and salt, and high in nutrient density and that are appealing (to children).

During fiscal years 2009 through 2012, the Economic Research Service (ERS) conducted research on the economic, regulatory, programmatic, and market forces influencing consumer food choices and the effect of these choices on nutritional, obesity, and health outcomes.

During fiscal years 2013 and 2014, ERS plans to continue ongoing research in these high-priority areas, including analysis of how food choices and health outcomes are related to USDA food assistance programs and community characteristics, determinants of food insecurity among the disabled, healthful eating choices for those living in food deserts, consumer demand for fruits and vegetables, understanding determinants of fluid milk consumption, and analysis of the prices of healthful foods.

[The information follows:]

ERS activities related to Human Nutrition	FY 2009 Enacted	FY 2010 Enacted	2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Extramural research (FANRP + RIDGE)	\$4,408,000	\$4,408,000	\$4,408,000	\$3,408,000	\$3,408,000	\$4,402,190
Intramural Human Nutrition Research	7,567,000	7,966,000	7,966,000	8,481,000	8,481,000	8,565,810
Data on food prices, purchases, and consumption	3,500,000	3,500,000	3,500,000	2,985,000	2,985,000	2,985,000
<b>Total</b>	<b>15,475,000</b>	<b>15,874,000</b>	<b>15,874,000</b>	<b>14,874,000</b>	<b>14,874,000</b>	<b>15,953,000</b>

## Food Safety

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to food safety, including participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: USDA's Agricultural Research Service (ARS) continues to conduct food safety research that covers various foodborne pathogens and foodborne contaminants, including chemicals, parasites, and toxins along the entire food safety continuum.

Specifically in FY 2013, ARS research evaluated, developed, and validated through laboratory and pilot plant processing and commercial processing facilities the effect of single and combinations of intervention technologies (multi-target or "hurdle" approach) on pathogen reduction. This included ensuring that lethality/intervention treatments did not negatively impact product quality.

In FY 2014, ARS research will address the following food safety priorities: (1) Developing detection and characterization technologies that allow for and enhance inspection, research, and defense capabilities; and developing and implementing new analytical technologies for chemical contaminants; (2) Developing and implementing a new data analysis tool to analyze the kinetic data of microbial growth and inactivation frequently found in predictive microbiology. This will allow predictions of how pathogens and spoilage bacteria behave within a food system before and after interventions, information that can be directly used by regulatory agencies and industry; (3) Undertaking genomic studies to understand the basic genetic components of pathogens, and their expression. This information will be related to the microorganism's biology, to determine for example, what makes a pathogen virulent, or prefer a specific food source or location, or how does resistance develop, persist, or transfer.

ARS research activity related to food safety funding in fiscal year 2009 was \$105,695,000; fiscal year 2010 was \$107,597,000; fiscal year 2011 was \$106,789,000; fiscal year 2012 was \$106,210,000; fiscal year 2013 is estimated at \$106,860,000; and fiscal year 2014 is estimated at \$119,186,000.

NIFA supports research on food safety; it provided \$27,071,000 in FY 2009, \$43,096,000 in FY 2010, \$35,510,000 in FY 2011; and \$21,668,000 in FY 2012. In fiscal years 2013 and 2014, funds will be used to improve the safety of the U.S. food supply through new and improved rapid detection methods, pre- and post-harvest epidemiological studies, and improved food harvesting and processing technologies.

During fiscal years 2013 and 2014, ERS plans to continue and expand research in these high-priority areas, including the expected impacts of new food safety legislation on the farm and food sector; consumer response to food safety outbreaks in fresh produce; the costs and benefits of mandatory food safety programs implemented by produce grower organizations; the economic trade-offs for reducing sub-therapeutic antibiotic use in farm animals; and inter-agency collaborations to better understand and prioritize food safety risks and interventions.

[The information follows:]

ERS activities related to Food Safety	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Food Safety research	\$1,063,000	\$1,272,000	\$1,272,000	\$1,420,000	\$1,420,000	\$1,428,000
Cooperative agreements	187,000	198,000	198,000	0	0	250,000
<b>Total</b>	<b>\$1,250,000</b>	<b>\$1,470,000</b>	<b>\$1,470,000</b>	<b>\$1,420,000</b>	<b>\$1,420,000</b>	<b>\$1,678,000</b>

## Integrated Pest Management

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to integrated pest management, including participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: In support of the Department's Integrated Pest Management (IPM) goals and other IPM needs, ARS currently conducts more than 57 IPM research projects at 33 locations. The projects are focused on minimizing pesticide inputs through the development of classical and augmentation biological control, cultural control, host-plant resistance, behavior modifying chemicals (e.g., pheromone mating disruptors and attracticides), sterile insect release techniques, resistance management, cultural and mechanical practices, improved pesticide application technologies, and other related pest control tactics. Target pests include a multitude of insects, mites, and ticks; plant pathogens and nematodes; and weeds. ARS completed all Area-wide projects in fiscal year 2012, making significant contributions in the control of invasive western weeds, colony collapse disorder, key pests of almonds, quarantine pests, and the Asian tiger mosquito.

In FY 2013 and FY 2014, ARS plans to focus on developing IPM programs for key invasive insects such as the brown marmorated stink bug, spotted wing drosophila, European grapevine moth, Asian longhorned beetle, emerald ash borer, Asian tiger mosquito, cattle fever tick, biting midges, bed bugs, fire ants, Argentine ant, crazy ant, sand flies, Lyme disease tick, corn rootworm, soybean aphid, kudzu bug, and varroa mite. IPM programs will also be developed for plant pathogens such as those that cause citrus greening, Pierce's disease, wheat rust Ug99, boxwood blight, wheat scab, sudden oak death, and laurel wilt. Weed research will develop novel weed management solutions based on an expanded knowledge of the biochemical and physiological processes critical in the development and reproduction of invasive and weedy plants, and develop biologically-based invasive plant control strategies that require minimal inputs for implementation but have long-term sustainability that can be used as a component of IPM and as a standalone strategy. ARS will also continue overseas exploration for natural enemies of invasive pests. In fiscal year 2013, exportation of natural enemies from South America was resumed through organizational changes and cooperation of the Argentinean government.

ARS research activities related to integrated pest management funding in fiscal year 2009 was \$42,508,000; fiscal year 2010 was \$44,184,000; fiscal year 2011 was \$43,656,000; fiscal year 2012 was \$42,899,000; fiscal year 2013 is estimated at \$42,899,000; and fiscal year 2014 is estimated at \$36,037,000.

NIFA supports research on integrated pest management; it provided \$29,294,000 in FY 2009, \$29,527,000 in FY 2010, \$28,521 in FY 2011 and \$18,760, in 2012. It expects to provide \$14,532 in FY 2013 and \$10,956 in FY 2014. Examples of the types of recipients of funding for Integrated Pest Management includes land-grant institutions and public and private universities and colleges.

NIFA funds programs and projects which support research, education, and extension activities that promote pest management in general, and reduced risk pest management in particular. The agency's pest management programs

are implemented through working partnerships with scientists in our nation's colleges and universities, other federal agencies and the private sector.

The Economic Research Service (ERS) conducted research during fiscal years 2009 through 2012 to examine the determinants and value to U.S. soybean producers in managing Asian soybean rust outbreaks. In 2012, ERS updated the Agricultural Resources Management Survey (ARMS) web tool on the ERS website to include corn pesticide use and pest management practices from the 2010 ARMS. In 2013 and 2014, ERS plans to update the ARMS web tool to include pesticide use and pest management practices from the 2011 and 2012 ARMS surveys, and complete a report on 1960 to 2008 pesticide use trends.

[The information follows:]

ERS activities related to <i>Integrated Pest Management</i>	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Integrated Pest Management	\$13,308	\$13,579	\$13,579	\$132,328	\$102,745	\$103,772
<b>Total</b>	<b>13,308</b>	<b>13,579</b>	<b>13,579</b>	<b>132,328</b>	<b>102,745</b>	<b>103,772</b>

#### IR-4

Mr. Aderholt: Please update the summary provided in the fiscal year 2012 hearing record regarding all USDA activities related to IR-4, including participating agencies, funding, outside financial assistance provided, the number of registrations completed, and any backlog of registrations, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: In fiscal year 2009, ARS and university scientists working with the IR-4 program analyzed hundreds of pesticide/crop combinations and generated data for use for 105 crops and 52 pesticides.

In fiscal year 2010, ARS scientists established 137 pesticide/crop combinations at field locations in seven states (Arizona, California, Georgia, Ohio, South Carolina, Texas, and Washington).

In fiscal year 2011, ARS researchers established 91 pesticide/food crop combinations in the field for treatment with pesticides and analyzed 52 pesticide/crop combinations in the laboratory for pesticide residues on treated crops.

In fiscal year 2012, ARS continued all efforts underway in fiscal year 2011 including 96 pesticide trials on crops (one trial = one pesticide applied to one crop), 157 pesticide trials on ornamentals, and 110 residue trials.

In fiscal year 2013, ARS researchers established 112 pesticide/food crop combinations in the field for treatment with pesticides and analyzed 69 pesticide/crop combinations in the laboratory for pesticide residues on treated crops.

In fiscal year 2014, ARS will continue to conduct research to facilitate registrations of pest management products for specialty food crops and minor uses on major crops, as well as develop efficacy and phytotoxicity data to increase the number of ornamental crops or pests on pesticide labels; with emphasis on reduced risk chemicals.

ARS research activity related to IR-4 funding in fiscal year 2009 was \$3,915,000; fiscal year 2010 was \$3,979,000; fiscal year 2011 was \$3,971,000; fiscal year 2012 was \$3,789,000; fiscal year 2013 is estimated at \$3,789,000; and fiscal year 2014 is estimated at \$3,425,000.

The National Institute of Food and Agriculture, or NIFA, supported competitive grant funding for the IR-4 project and provided \$11.2 million in FY 2009, \$11.3 million in FY 2010, \$11.3 million in FY 2011, and \$11.1 million in FY 2012.

In FY 2013, NIFA will provide funding for an IR-4 project headquarters and four geographically-based regional IR-4 centers. Projects funded in FY 2013 will focus on three core objectives: 1) obtaining regulatory clearances of effective crop protection agents for specialty food crops and minor uses on major food crops; 2) research to enhance the development and registration of bio-pesticides for use in food and non-food pest management programs; and 3) research on crop protection products that will expand their uses on ornamental crops, including nursery, floral, and turf. Program investments will be guided by a priority-setting process that engages commodity producers, state and Federal research scientists, and cooperative extension specialists.

The President's budget for FY 2014 proposes continued support for the IR-4 project. The requested funding will support and enhance the capacity of the IR-4 program to assist growers in obtaining pesticide registrations for specialty food crops and minor uses on major crops, particularly in light of the continued loss of effective pesticides and methods of pest control. The program will invest in research needed for the registration of pesticides that are lower risk but effective and economical, and will increase support for biopesticides, organic production systems, public health, and global initiatives to harmonize Maximum Residue Levels.

ERS conducted no research in this area in fiscal years 2009 through 2012, and none is planned for fiscal years 2013 and 2014.

#### Colony Collapse Disorder

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to Colony Collapse Disorder, including participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: In collaboration with Pennsylvania State University, National Program Leaders from USDA and the Environmental Protection Agency (EPA) convened a National Stakeholder Conference on Honey Bee Health in October 2012, which for the first time brought together beekeepers, growers, scientists, chemical companies, non-profit organizations and government administrators committed to sustaining the industry of managed bees in the United States. The purpose was two-fold: To hear from leading experts in

apicultural research and extension on the current status of knowledge of the key factors that are associated with Colony collapse Disorder (CCD) and honey bee declines and to work toward developing best management practices to combat these problems. Program Leaders at USDA and EPA produced a conference report that summarizes the key findings and recommendations from the meeting. Public release of the report is expected to occur in early May 2013. Concurrently, the CCD Steering Committee is synthesizing the information from the meeting and report as well as recent research and extension accomplishments, to develop a revised Action Plan which will outline high priority goals to address CCD and other factors impacting honey bee health.

Examples of USDA-Agricultural Research Service (ARS) accomplishments for fiscal years 2009 through 2012 include:

- Worked with Haas Inc. to commercialize a new mite control product, the beta acid-based miticide HopGuard, which was nominated for a technology transfer award.
- Developed new Varroa resistant lines of bees (VSH; Russian) that are commercialized and widely used. The VSH line received a 2012 Federal Laboratory Consortium Award for Excellence in Technology Transfer. Varroa is the number one pest of honey bees.
- Based on viral sequence information to determine targets, and working from a CRADA with Beeologics, Inc. (now with Monsanto), protected bees from viral infection in the first successful field demonstration of RNAi technology. Similar approaches are being investigated for control of bee mites and Nosema disease.
- Sequenced the Varroa mite, revealing immune proteins that will be targeted in future strategies, e.g., ones dependent on RNAi gene silencing.
- Published the genome of Nosema, a fungal gut parasite of adult bees that should open new control options for this pathogen.
- Working with USDA-APHIS, completed a nationwide survey of bee health that sets baseline values for pests and diseases prevalence in the U.S. and can be used to regulate international trade in bees and bee products.

Examples of USDA-National Institute of Food and Agriculture (NIFA) accomplishments for fiscal years 2009 through 2012 include:

Two Coordinated Agricultural Projects were funded by AFRI and support about 20 Land Grant University research and extension scientists and 3 USDA-ARS laboratories focusing on CCD and other factors causing bee declines. The first Bee CAP project team, funded by AFRI in 2009, conducted basic and applied research on factors associated with CCD. Results included:

- A Best Management Practices Guide was published which included educational videos, and bee health bulletins for beekeepers. These materials are also available through the Bee Health Community Page ([http://www.extension.org/bee\\_health](http://www.extension.org/bee_health)), which serves as a repository of peer-reviewed, credible scientific information for the bee community.
- Research showed that Varroa mite is an important vector of the Israeli Acute Paralysis Virus (IAPV), a disease that was strongly correlated with CCD.
- Exposure to pesticide-contaminated dust from abrasion of certain pesticide-treated corn seed appeared to have negative effects on honey bees in laboratory and field settings. Researchers are currently planning experiments to determine how honey bees and other pollinators respond to environmentally relevant levels and whether a significant

number of bees would likely be present in or around fields that are planted or seeded.

The second-CAP project, funded in 2010, the Bee Informed Partnership (<http://beeinformed.org>), aims to decrease winter losses of honey bee colonies by helping determine which management practices are working best to keep bees alive. An example accomplishment from this project is that a Bee Team established, in California, testing for hygienic behavior, presence of Varroa mites, and Nosema Data from the samplings will be provided to each bee breeder to help them make informed decisions on choosing breeder queens and appropriate treatments.

Scientists from ARS and the NIFA-funded Bee-Informed Partnership will release results from the 2012 Winter Survey in early May. The survey indicates losses are at 40%, which is the highest loss reported in the past 5 years. Reasons for this record loss are unknown at this time. Speculation ranges from poor varroa mite control, and drought stress, especially in the Midwest, leading to poor nutrition and or a concentration of visitation to irrigated crops such as sunflower where sub-lethal pesticide exposures may have been magnified due to lack of other pollen and nectar from natural vegetation.

A third area of investment was in the 2012 Sustainable Bioenergy Challenge Area grant program. One priority was to better understand how land use change to biofuel crops will impact wildlife and pollinators. Wide-scale planting of certain biofuel crops may significantly reduce the amount of habitat with floral resources necessary for sustaining honey bees. A shortage of pollinator habitat has frequently been reported in colonies suffering high rates of colony losses. Four grants were awarded for pollinators using FY 2012 dollars.

The June 2012 CCD Progress Report to Congress details additional CCD accomplishments of all Federal agencies and cooperating universities. <http://www.ars.usda.gov/is/br/ccd/ccdprogressreport2012.pdf>

Future research plans in 2013 and 2014 will include:

- Impacts of nutrition and food diversity on the longevity of queens and workers and the ability of the colony to resist adverse effects of pathogens and pesticides.
- Importance and maintenance of the microbiome within the bee digestive tract.
- The impact of sub-lethal pesticide exposure on honey bee colony health including studies with field-relevant exposures levels and multiple pesticides.
- Potential changes in land use as a means to increase forage diversity for all pollinators and thus improve nutrition.
- Breeding emphasis on traits, including hygienic behavior, that confer improved resistance to Varroa mites and diseases, such as American foulbrood.
- Continued research on the impacts of parasitic mites and pathogens on bee health and their interactions with nutrition and pesticide exposure.
- Continued funding to the Bee Informed Partnership CAP grant.
- Solicit research proposals in AFRI's Foundational program on Plant-Associated Insects and Nematodes. These projects are expected to address fundamental and applied research on biotic and abiotic factors

associated with pollinator declines and developing measures to mitigate these problems.

- Support smaller-scale targeted research and extension projects with Hatch capacity funds.

ARS funding for research activities related to Colony Collapse Disorder is as follows: FY 2009, \$8,290,000; FY 2010, \$10,000,000; FY 2011, \$9,980,000; FY 2012, \$10,128,000; FY 2013 (estimated), \$10,128,000; and FY 2014 (estimated), \$10,628,000.

NIFA supports research on Colony Collapse Disorder; it provided \$2,877,000 in FY 2009, \$2,916,000 in FY 2010, \$4,677,000 in FY 2011, and \$4,667,000 in FY 2012. It expects to provide \$4,538,000 in FY 2013 and \$4,453,000 in 2014. Examples of the types of recipients of funding for colony collapse disorder includes land-grant institutions and public and private universities and colleges.

During fiscal years 2009 and 2010, the Economic Research Service (ERS) participated in the USDA pollinators committee and cooperative research agreements with North Carolina State and Montana State Universities to address the economic effects on honey and pollination markets.

ERS conducted no research during fiscal year 2011, and none is planned for fiscal year 2013 or fiscal year 2014.

[The information follows:]

ERS activities related to <i>Colony Collapse Disorder</i>	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Colony Collapse Disorder Research	\$44,839	\$18,815	\$0	\$0	\$0	\$0
<b>Total</b>	<b>44,839</b>	<b>18,815</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Asian Long-Horned Beetle

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to the Asian Long-Horned Beetle, including participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: In support of the Animal and Plant Health Inspection Service (APHIS) eradication program, ARS has:

- Developed a field guide for surveys used by APHIS and State Departments of Natural Resources, and internationally.
- Determined that a particular maple tree known as painted maple is highly attractive to ALB, resulting in a sentinel tree system for early detection of adult beetles used by the California Department of Food and Agriculture and the New Hampshire Department of Agriculture, and planned pilot project by the Massachusetts Department of Agricultural Resources.
- Discovered and evaluated kairomones (host odors) of painted maple sentinel trees that show promise as an attractant for early detection of adult beetles.

- Identified the male aggregation pheromone and female sex pheromone of ALB, as well as plant volatiles from host trees, resulting in a potential attractant for early detection of adult ALB.
- Identified and determined that several natural enemy species native to the United States and to Europe successfully parasitize ALB, with potential use in biological control.
- Conducted foreign exploration for natural enemies of ALB in its native Asian range and began evaluating their potential use in biocontrol.
- Identified an encapsulated insecticide that quickly kills adult ALB, which has been adopted by APHIS to target control of ALB where no other method exists. It is also used by the California Department of Food and Agriculture, in combination with the highly attractive sentinel tree, for detection and control of ALB in an attract-and-kill strategy.
- With the Baylor College of Medicine, and supported by National Institutes of Health (NIH), recently sequenced the genome of ALB as part of the ARS-led i5K Initiative to sequence 5,000 insect genomes.

In 2013 and 2014 ARS research will focus on refining models that predict the spread of ALB, targeting the increasingly diverse and varied areas found infested by ALB (e.g., forests in the Worcester, MA, infestation; rural areas in the Ohio infestation). ARS research will also refine models that predict ALB adult emergence from trees, facilitating predictions about when the beetle will reach peak levels. Collectively, these models will help APHIS increase the effectiveness of existing and new survey and control strategies, and significantly reduce the cost of eradication. ARS will also focus on expanding the impact of the sentinel trees and artificial lure, developing the attract-and-kill strategy, and finding and using additional biological control agents for safe beetle suppression.

ARS funding for research activities related to Asian longhorned beetle is as follows: FY 2009, \$1,497,000; FY 2010, \$1,516,000; FY 2011, \$1,512,000; FY 2012, \$1,169,000; FY 2013 (estimated), \$1,169,000; and FY 2014 (estimated), \$1,169,000.

NIFA supports research on Asian Long-Horned Beetle; it provided \$2,156,000 in FY 2009, \$1,266,000 in FY 2010; and \$732,000 in FY 2011. Fiscal years 2012 and 2013 funding levels are not available. In 2013 and 2014 NIFA plans to continue to support research in the area of Asian Long-Horned Beetle. Examples of the types of recipients of funding for Asian Long-Horned Beetle include land-grant institutions and public and private universities and colleges. Funding will support activities that include detection and preventive measures to eradicate the damage caused by Asian Long-Horned Beetle.

ERS conducted no research in this area in fiscal years 2009 through 2012, and none is planned for fiscal years 2013 or 2014.

#### Food Defense and Homeland Security

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding all USDA research and extension activities related to food defense and homeland security, including participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: The USDA food defense and homeland security research activities are linked to Homeland Security Presidential Directive-9 (HSPD-9) and the President's National Strategy for Countering Biological Threats. ARS has unique and critical resources dedicated to ensuring that agricultural production is secure, sustainable, and efficient with the aim of providing American consumers with a healthy, safe, and affordable food supply. Many of these responsibilities involve protecting people, crops, livestock, poultry, aquaculture and other living resources from pests and pathogens with the potential to cause severe economic consequences and/or public health incidents. USDA research and extension programs activities specifically target gaps in our food defense strategy by providing the scientific information and tools needed to mitigate the impact of incursions on our food supply.

In fiscal years 2013 and 2014, the Agricultural Research Service (ARS) will continue to implement strong national research programs for food defense and homeland security, including research on the emerging Chinese Influenza A (H7N9) in case an outbreak were to occur in the United States. ARS will conduct research to minimize the risk to American agriculture of diseases, contamination, and/or willful destruction of crops and animals to ensure that the safety of the food supply is not compromised. ARS conducts food defense and homeland security research in collaboration with the Animal and Plant Health Inspection Service, Food Safety and Inspection Service, Foreign Agricultural Service, Food and Drug Administration, Department of Homeland Security, Department of Defense, State Department, Environmental Protection Agency, Human and Health Services, and the Department of Interior.

ARS research activities related to food defense and homeland security funding in fiscal year 2009 was \$35,454,000; fiscal year 2010 was \$39,170,000; fiscal year 2011 was \$35,715,000; fiscal year 2012 was \$35,721,000; fiscal year 2013 is estimated at \$35,721,000; and fiscal year 2014 is estimated at \$35,721,000. In addition, ARS is requesting \$155,000,000 in fiscal year 2014 for the planning, design, and construction of the Biocontainment Laboratory and Consolidated Poultry Research Facility in Athens, GA.

NIFA supports research on Food and Agriculture Defense Initiative and Homeland Security; it provided \$43,700,000 in FY 2009, \$44,848,000 in FY 2010, in FY 2011 \$40,638,000 and \$40,647,000 in FY 2012. It expects to provide and \$40,889,000 in 2013 and \$39,703 in FY 2014. Funding will support a nationally-coordinated plant and animal disease diagnostic networks and support activities to identify and respond to high risk biological pathogens in the food and agricultural system.

The Economic Research Service (ERS) conducted research during fiscal years 2009 through 2012 to support the needs set forth under the Homeland Security Presidential Directive (HSPD) 9. Research developed and refined the capacity to conduct economic analyses of plant and animal disease outbreaks. ERS projects assessed the value of available data containing geographic information that could be used to improve geospatial analysis of homeland security issues related to food and agriculture industries.

These research activities will continue into fiscal year 2013. ERS' planned research in 2013 will include assessment of the resilience of local livestock producers to animal disease outbreaks, sensitivity analysis of domestic and international markets to disease outbreaks supported by model development, and synthesis analysis of response strategy effectiveness in the

event of a foot - and - mouth disease outbreak. In addition, ERS is contributing expertise as subject matter experts to the Department of Homeland Security, Science and Technology Directorate, for the Agroterrorism Risk Assessment.

ERS is also conducting research on sustainable consumption of food through a project focusing on a Multiregional Assessment of the U.S. This project examines the resilience of the U.S. food system in response to a large and widespread shift in the diets of all Americans consistent with USDA's dietary guidelines. The role of food system resilience in meeting hypothetical changes in diet outcomes of U.S. consumers is studied through a modeling approach that characterizes the allocation of primary production factors (e.g., labor, capital) and resources (e.g., land, energy) among regional production activities, and the disposition of interregional and international commodity flows on the domestic freight system.

[The information follows:]

ERS activities related to Food Defense and Homeland Security	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY2014 Request
Food Defense and Homeland Security	\$983,000	\$983,000	\$983,000	\$934,000	\$934,000	\$943,000
<b>Total</b>	<b>983,000</b>	<b>983,000</b>	<b>983,000</b>	<b>934,000</b>	<b>934,000</b>	<b>943,000</b>

#### Antibiotic Resistance

Mr. Aderholt: Please update the summary provided in the fiscal year 2012 hearing record regarding all USDA research and extension activities related to antibiotic resistance, including participating agencies and funding, for fiscal years 2009 through 2012. Also describes USDA's plan for fiscal years 2013 and 2014.

Response: The Agricultural Research Service (ARS) conducts antimicrobial resistance research as well as provides oversight of the animal sampling arm of the National Antimicrobial Resistance Monitoring System (NARMS), which is funded and managed by the Food and Drug Administration (FDA). In response to an FDA request and the need to improve the animal sampling plan, ARS has implemented a series of pilot studies that involves both universities and several ARS centers to collect samples on farm and at slaughter houses for FDA to perform in-house antimicrobial resistance testing. These data will be used by FDA and USDA's Food Safety and Inspection Service (FSIS) to make scientifically-based decisions for future animal arm sampling for NARMS. ARS is completing the pilot study analysis and also doing two other pilot studies which are looking at emerging resistance and evaluating a potential intervention. The studies should be completed and analyzed by the fall of 2013. ARS co-sponsored an international meeting with the Office of International Epizootics (OIE) on alternatives to antimicrobials which raised the awareness of this important initiative.

Research on alternatives to antibiotics is an important effort by ARS and involves several strategies. For example, ARS is evaluating and developing vaccines for *E. coli* in cattle and *Salmonella* spp in swine and poultry as well as evaluating the role of genetics and immune modulators. In 2013 and 2014, ARS plans to continue to enhance the research on alternatives to antibiotics by evaluating the role of alternatives (both at the pre-

harvest/on-farm and post-harvest level) and the role of management practices and the environment on the prevalence of antimicrobial resistance and emerging pathogens in food animals.

ARS research activity related to antibiotic/antimicrobial resistance funding in fiscal year 2009 was \$6,482,000; fiscal year 2010 was \$6,594,000; fiscal year 2011 was \$8,998,000; fiscal year 2012 was \$8,998,000; fiscal year 2013 is estimated at \$9,053,000; and fiscal year 2014 is estimated at \$11,721,000.

NIFA supports research on antibiotic resistance; it provided \$752,000 in FY 2009, \$1,981,000 in FY 2010; and \$2,900,000 in FY 2011. Fiscal year 2012 award decisions have not been finalized; but it is estimated that NIFA will fund antibiotic resistance work at a comparable level of about \$1 million in fiscal years 2012, 2013 and 2014. NIFA supported work includes studies of antimicrobial usage in dairy, beef, swine, and/or poultry production systems. Topics include prevalence and control of food-borne pathogens in meat and meat products, and livestock management practices that minimize the use of antimicrobials.

During fiscal years 2009 through 2012, the Economic Research Service (ERS) examined the extent to which livestock are fed sub-therapeutic doses of antibiotics, impact on farm productivity of such feeding, and whether the productivity losses from reducing such use can be offset by other production practices. These efforts resulted in published research on the hog and broiler sectors, as well as further ongoing research, and relies heavily on special questionnaire versions of the Agricultural Resource Management Survey covering farm operations during 2004 (hogs), 2006 (broilers), 2009 (hogs), and 2011 (broilers), with another hog version planned for 2014 production.

During fiscal years 2013 and 2014, ERS will continue to examine the impact on farm productivity of reduced feeding of antibiotics at sub-therapeutic levels, as well as the economics of alternatives to such uses. The agency will use estimates of the farm-level cost and productivity impacts of restrictions on antibiotic use in order to model the potential market impacts of restrictions. That research will focus on livestock and meat prices, production, consumption, exports, and imports. The research findings will support USDA decision making on policies and programs to address the issue of antimicrobial resistance in animal agriculture by identifying the economic effects of possible restrictions on sub-therapeutic antimicrobial use, and by examining alternatives to sub-therapeutic antimicrobial use in on-farm production practices.

[The information follows:]

ERS activities related to <i>antibiotic pest resistance</i>	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Antibiotic Pest Resistance research	\$92,078	\$93,958	\$82,876	\$82,876	\$82,876	\$83,704
Total	92,078	93,958	82,876	82,876	82,876	83,704

## USDA Plant and Animal Genome Mapping Activities

Mr. Aderholt: Please update the summary provided in the fiscal year 2012 hearing record regarding all USDA plant and animal genome mapping activities, including participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: Agricultural Research Service (ARS) animal and plant genetic and genomic support for agricultural animal and crop species is coordinated through consortiums comprised of Federal agencies (National Institutes of Health, USDA-ARS, USDA-National Institute of Food and Agriculture, National Science Foundation, Department of Energy), universities, and the private sector. These initiatives are providing opportunities for expanding genomic resources, advancing systems biology and biomedical research, translating basic discovery to tools for improving animal and crop production and protection, and developing coordinated solutions to data access, analysis, and synthesis.

The fiscal year 2014 budget initiatives for animal production and protection include proposed increases for genomic/phenotypic knowledge-based development, including:

- Increasing the rate of genetic improvement for economically valuable traits relating to health, parasite resistance, production efficiencies and animal adaptability;
- Identifying germplasm that is better adapted to extreme environmental conditions;
- Safeguarding and utilizing animal genetic resources, associated genetic and genomic databases, and bioinformatic tools; and
- Developing information, tools, and technologies that can be used to improve animal production systems.

The research is heavily focused on the development and application of genomics technologies to increase the efficiency and product quality of beef, dairy, swine, poultry, aquaculture, and sheep systems.

Additional ARS budget initiatives incorporate support for crop genome mapping under the ARS Environmental Stewardship initiative and invests in three key platforms to enable sustained improvements in maize, rice, and wheat germplasm for yield, drought tolerance, heat and cold tolerance, and improved nutrient use efficiency, including:

- Crop genetic resource analysis;
- High throughput trait (phenotyping) analysis;
- Germplasm improvement using next generation theory and methods for translating DNA sequences (genotype) to traits (phenotype); and
- Crop genetic resources for food security.

Funding for ARS research activities related to animal genome mapping is as follows: FY 2009, \$30,011,000; FY 2010, \$30,765,000; FY 2011, \$30,487,000; FY 2012, \$29,611,000; FY 2013 (estimated), \$29,611,000; FY 2014 (estimated), \$30,127,000. Funding for ARS research activities related to plant genome mapping is as follows: FY 2009, \$12,511,000; FY 2010, \$13,254,000; FY 2011, \$13,242,000; FY 2012, \$12,971,000; FY 2013 (estimated), \$12,971,000; FY 2014 (estimated), \$17,417,000.

The National Institute of Food and Agriculture (NIFA) supports research on plant and animal genome mapping; it provided \$56,261,000 in FY 2009, \$55,837,000 in FY 2010, and \$60,962,000 in FY 2011. Fiscal years 2012 and 2013 funding levels are not available. In 2013 and 2014 NIFA plans to continue to support research in the areas of Plant and Animal Genomics. Animal genomics efforts for USDA continue to follow the research, extension, and outreach priorities set forth in the USDA Animal Genomics Blueprint for 2008-2017. NIFA has addressed these priorities related to animal genome mapping through competitive program opportunities. As a result, the draft genome sequences of chicken, turkey, cattle, and pig are now completed. This was possible with USDA partnering with other federal agencies, such as the National Institutes of Health, stakeholders, states and international entities. Funds are being used for plant genome mapping to include genome structure and organization, functional genomics, bioinformatics and applied genomics.

ERS conducted no research in this area in fiscal years 2009 through 2012, and none is planned for fiscal years 2013 and 2014.

#### Citrus Greening

Mr. Aderholt: Please provide a summary of all USDA activities regarding citrus greening, including participating agencies and funding fiscal years 2009 through 2012. Please include information on the citrus greening advisory board. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: Citrus Greening (Huanglongbing), transmitted by the Asian citrus psyllid, is the most serious threat to the U.S. citrus industry, since it was first detected in Florida in 2005, causing millions of dollars in damage and lost revenue in Florida. The disease was confirmed in an orange grove in Texas in 2011, and in 2012 was reported in California from a single residential tree that was immediately removed. Infected trees identified over the ca. 20 acre grove in Texas are being removed. Psyllid suppression efforts continue in all three states. Currently, the Florida industry has serious cause for concern, due to the significant fruit drop as a result of the disease.

Since December of 2009, the USDA-ARS, -NIFA and -APHIS have coordinated research, extension and regulatory efforts as part of the Citrus Health Research Program (CHRP) with industry leaders from primary citrus-producing states. The goal of this Science and Technology Committee (STC) is to coordinate individual research projects toward solutions to citrus greening that are tailored to each state; Florida, Texas, and California. Funding for citrus research, extension and outreach, and regulatory programs come from several sources, including base funds and grants provided by state box tax programs. ARS research funds are reported below.

A National Agricultural Research, Extension, Education, and Economics citrus greening subcommittee was formed in December 2011 to determine where research deficiencies exist and to provide input on future direction to the USDA. There are other groups with similar membership that serve as liaisons between research and the USDA, including the CHRP STC. Thus, there is now enhanced communication between the STC-CHRP committee and the NAREE subcommittee members.

Research plans for FY 2013 and FY 2014 to control and manage citrus greening are multifaceted and build on progress made since 2009. This includes (1) continued improvement on area-wide vector suppression that provides significant saving to the growers and reduced pesticide use; (2) new strategies for sampling and survey that aid eradication programs and psyllid suppression; (3) rapid diagnostics and detection in psyllids and host tissues; (4) therapeutic treatments for infected trees; (5) developing methods to interfere with transmission of the pathogen; and (6) production of commercial citrus cultivars and rootstocks that are tolerant or resistant, that can be used in an integrated management program. Although progress has been made in all areas, the best solution is that of suppressing psyllids and removing infected trees, thus eliminating a source of inoculum, followed by replanting and protecting healthy trees until bearing age which remains a considerable challenge.

Funding for ARS research activities related to citrus greening is as follows: FY 2009, \$642,000; FY 2010, \$1,645,000; FY 2011, \$1,638,000; FY 2012, \$1,490,000; FY 2013 (estimated), \$1,490,000; and FY 2014 (estimated), \$1,490,000.

NIFA supports research on Citrus Greening; it provided \$878,000 in FY 2009, \$1,665,000 in FY 2010; and \$217,000 in FY 2011. Fiscal year 2012 awards have not been reported. In 2013 and 2014 NIFA-USDA plans to continue to support research in the area of Citrus Greening through capacity funding.

ERS conducted no research in this area in fiscal years 2009 through 2012, and none is planned for fiscal years 2013 and 2014.

#### Marmorated Stinkbug

Mr. Aderholt: Please provide a summary of all USDA activities regarding the brown marmorated stinkbug, including participating agencies and funding for fiscal years 2009 through 2012. Please include information on the citrus greening advisory board. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: The Agricultural Research Service (ARS) has assumed a leadership role in the effort to advance priorities established in the NIFA-sponsored Brown Marmorated Stink Bug (BMSB) Working Group, as detailed in the group's strategic plan (<http://www.northeastipm.org/working-groups/bmsb-working-group/>). ARS has implemented an aggressive research program and actively partnered with the Animal and Plant Health Inspection Service, Environmental Protection Agency, and land-grant universities across the United States to accomplish these priorities.

ARS researchers have established the efficacy of a broad range of insecticides against BMSB to ensure that growers have critical stop-gap management solutions, identified natural enemies of BMSB, identified natural lures, and have developed traps for monitoring BMSB and effective methods of biocontrol.

Example accomplishments are as follows:

- ARS scientists in Kearneysville, West Virginia, lead an ongoing NIFA Specialty Crop Research Initiative (SCRI) project (\$5.7 million) that is designed to develop monitoring and management tools for BMSB in

specialty crops. Fourteen cooperating institutions from ten States have partnered on this project. In 2012, another ARS proposal was funded by the NIFA Organic Research and Extension Initiative (OREI) (\$2.7 million) and will target tools for the organic farming community.

- ARS scientists in Kearneysville have determined the effectiveness in controlling BMSB of currently labeled insecticides and those being considered for emergency exemptions. A key finding was the short residual activity of materials under field conditions. Several pyrethroid-based insecticides were found to be excellent controls. One, bifenthrin, received an EPA Section 18 (emergency) exemption for use on BMSB in orchards in 2012. Risk cup refinement studies will determine whether this material will be available for renewal in 2013.
- ARS scientists in Kearneysville, WV, are developing a monitoring trap for BMSB that uses olfactory and visual cues that are attractive to BMSB. In 2011-2012, traps baited with lights representing attractive wavelengths and intensities captured 200-400 times more adults than unbaited traps.
- ARS scientists in Beltsville, Maryland, and Kearneysville, West Virginia, collaborated on field testing and have made a breakthrough in identifying the aggregation pheromone from adult males. Tests conducted throughout 2012 confirmed this identification, providing the first effective means to monitor and trap the bug throughout the season. In 2012, a powerful synergist for the aggregation pheromone was identified by ARS scientists in Beltsville and Kearneysville, increasing trap captures 100-fold. ARS researchers also identified light-based cues for BMSB that significantly enhance attractiveness of the traps.
- In cooperation with the ARS overseas biocontrol laboratories, ARS researchers in Newark, Delaware, are leading long-term biological control solutions with foreign exploration in Asia to find natural enemies adapted to BMSB in its native range and coordinating cooperator's host range evaluations at several locations across the United States.

In 2013 and 2014, ARS will focus on developing the lure-base monitoring systems and associated tools and test biocontrol agents for release. Researchers will focus on understanding the biology of the BMSB with the intent of interrupting its movement in the field. ARS researchers in Newark, Delaware, will continue screening the impact of compounds registered for use in organic crops on stink bug parasitoids (as part of the NIFA Agriculture and Food Research Initiative OREI).

Funding for ARS research activities related to BMSB is as follows: no funding in FY 2009; FY 2010, \$800,000; FY 2011, \$750,000; FY 2012, \$875,000; FY 2013 (estimated), \$875,000; and FY 2014, \$875,000 (estimated).

The National Institute of Food and Agriculture supports research on the brown marmorated stink bug (BMSB); it provided \$1,133,000 in FY 2009, \$1,133,000 in FY 2010, in FY 2011 \$536,000 and \$536,000 in FY 2012 (estimated). It expects to provide \$531,000 in FY 2013 and \$531,000 in 2014. Funding will support activities that include pest management of the BMSB.

ERS conducted no research in this area in fiscal years 2009 through 2012, and none is planned for fiscal years 2013 and 2014.

#### Alfalfa

Mr. Aderholt: Please provide a summary of all USDA activities regarding alfalfa, including participating agencies and funding, for fiscal years 2009 through 2012. Also describe USDA's plan for fiscal years 2013 and 2014.

Response: Agricultural Research Service (ARS) scientists are conducting alfalfa genetic improvement and marker selection research for biotic and abiotic stresses to build a genetic pipeline to help accelerate the development of superior performing plants.

The ARS Plant Germplasm Introduction and Testing Research Station expands the genetic diversity in the U.S. alfalfa germplasm collection, improves availability of information about alfalfa genetic resources, and distributes pathogen-tested samples.

For FY 2013 and FY 2014, ARS has developed a coordinated national research plan to increase the impact of agency alfalfa research and to build effective linkages with university and industry partners. The coordinated plan addresses three broad areas of research that provide value to the alfalfa, forage, and dairy industries including, but not limited to the following: 1) germplasm improvement (yield, biotic and abiotic stress, marker assisted selection); 2) management for animal nutrient intake and for revenue lines; and 3) ecosystem services (rotational effect, soil health [N, P, K, microbes], and carbon sequestration).

Funding for ARS research activity related to alfalfa is as follows: FY 2009, \$3,367,000; FY 2010, \$4,124,000; FY 2011, \$3,768,000; FY 2012, \$4,322,000; FY 2013 (estimated), \$4,322,000; FY 2014 (estimated), \$4,516,000.

The National Institute of Food and Agriculture supports research on alfalfa; it provided \$2,425,000 in FY 2009 and \$2,025,000 in FY 2010, and \$1,264,000 in FY 2011, and \$1,264,000 in FY 2012 (estimated). The active AFRI, Hatch, and Biotechnology Risk Assessment program projects include, but are not limited to, alfalfa topics such as: understanding and mitigation strategies for co-existence/gene flow in alfalfa; improving alfalfa quality and production as a biofuel feedstock; enhancement of alfalfa forage quality for animal feed by alfalfa breeding and genetic improvements; developing tolerance to changing climatic conditions and biotic diseases in alfalfa production by breeding and genetic enhancement technologies; and understanding interactions of symbiotic bacteria with their alfalfa host in fixing nitrogen from the soil. Other programs have also included alfalfa in multi-crop studies.

ERS conducted no research in this area in fiscal years 2009 through 2012, and none is planned for fiscal years 2013 and 2014.

## Transfer of Programs

Mr. Aderholt: Please provide additional information on the proposal to transfer the Institution Challenge, Multicultural Scholars, and Graduate Fellowship grants and Secondary and Two-year Post-secondary education programs to the National Science Foundation (NSF) and the Department of Education (ED). What is the purpose of the transfer? Is USDA submitting legislation to transfer the authorities of these programs to NSF and ED? How will this affect NIFA's programs and STEM efforts?

Response: The purpose of transferring these STEM programs to the National Science Foundation and Department of Education is to support a cohesive national STEM strategy that will increase the impact of Federal investments in K-12 instruction, undergraduate education, graduate fellowships, and non-formal education activities that typically take place outside the classroom. The goal of the reorganization is to reach more students and more teachers more effectively. The target audiences reached by NSF and ED are much larger than those of NIFA, and so therefore, a coordinated Federal STEM effort will offer a nation-wide opportunity to train a science-based workforce through a consistently applied, coordinated and standardized curriculum. NIFA is not submitting legislation to transfer the authorities of these programs to NSF and ED. However, NIFA will work with NSF, ED, and the Office of Management and Budget to ensure all legislative and administrative requirements are met. NIFA will continue to support K-20 workforce development initiatives for the next generation of scientists within those disciplines considered to have critical shortages of graduates in the food and agriculture and natural resources fields, as identified by NIFA's Foundational Areas. This support will focus on training and scholarship support for undergraduate students, for underrepresented and underserved groups, and for graduate fellowships for master's and doctoral students. This support also includes NIFA's ongoing, historical commitment to building learning and education capacity at minority-serving institutions. NIFA will continue to use its Extension authority to facilitate agriculture-related experiential learning and youth development through existing partnerships with the Land-grant Universities and Cooperative Extension Service.

## Retirement Options

Mr. Aderholt: Under Secretary Woteki's testimony referenced that the REE agencies have provided retirement options for those who are eligible. Please provide information by agency on the retirement options offered for fiscal years 2012 and 2013.

Response: The Agricultural Research Service (ARS) offered two Voluntary Early Retirement Authority/Voluntary Separation Incentive Payments (VERA/VSIP) in fiscal year (FY) 2012. The primary goal for offering VERA/VSIP was to ensure ARS could implement location and laboratory closures approved by Congress in FY 2012 and to reorganize ARS for long-term viability. The first round of VERA/VSIP was made available to all early and optional retirement eligibles in order to create sufficient vacancies for use in placing employees impacted by FY 2012 budget reductions. The second round of VERA/VSIP was made available only to impacted employees to allow those employees to retire or resign rather than be reassigned to another location or to a location where available and required skills were not an exact match.

In FY 2012, the Economic Research Service (ERS) appropriation sustained a 5 percent reduction and ERS offered VERA/VSIP options to its employees. Through the VERA/VSIP authority in December 2011, ERS took a permanent reduction of 16 staff positions and was able to achieve savings and redirect remaining research staff to the higher priority research programs that align with USDA goals. There are no special retirement options that will be offered at ERS in FY 2013.

The National Institute of Food and Agriculture (NIFA) utilized the VERA/VSIP in FY 2012 to help address anticipated budget reductions. The VERA/VSIP was made available to all early and optional retirement eligible staff.

The National Agricultural Statistics Service (NASS) offered a VERA/VSIP in 2012 to support NASS' targeted restructuring efforts. A total of 59 NASS employees took advantage of the VERA/VSIP. NASS' goal was to establish a National Operation Center (NOC) to elevate the efficiency and standardization of survey support operations for the agency in support of NASS' mission. This allowed the organization to move forward with resizing its workforce, and restructuring the field organization into twelve regional centers.

In FY 2013, the REE agencies do not anticipate the need for offering or utilizing the VERA/VSIP authorities. However, USDA currently has VERA Authority, so if needed, the REE agencies could make a request for using the authority.

#### National Agricultural Statistics Service

##### National Operations Center

Mr. Aderholt: Please provide a status report on the National Operations Center.

Response: Over the last 18 months, the National Operations Center (NOC) focused on hiring and training telephone enumerator staff. We currently employ 300+ enumerators and have completed over 60 surveys. They have completed more than 1.5 million dials or out bound calls, logging more than 70,000 hours of data collection. Our Call Center has successfully managed more than 3 million minutes of in-bound calls from operators who have received the Census of Agriculture.

We are building telephone enumerator training tools for the 4 other Data Collection Centers supporting our Regional Field Offices. This ensures consistent training of staff that collects our data. We are also working to provide training tools for our field enumerator staff. Our Enumerative Survey Development Group continues to support and build new telephone data collection tools. We have built almost 60 new data collection instruments in the last year.

The NOC has also assumed full responsibility for the maintenance of survey sampling frame for all states. Our frames maintenance staff have processed more than 930,000 updates to our sampling frames in the last 12 months. We have completed the activities associated with our classify process of selecting the samples for all surveys in all states. Our staff also completed the Census of Agriculture mail list build of over 3 million records.

For the first time since taking over the Census of Agriculture in 1997, NASS has set up a Census Edit Unit (CEU) at the NOC in St. Louis. The CEU is made up of about 70 recent or soon to be college graduates. These trained analysts are dedicated only to editing census responses which will provide a more consistent approach and should result in higher quality data.

Additionally, we have edited, performed data entry, and created an electronic image for nearly 575,000 paper forms in our forms processing unit. We also processed 8,633 objective yield samples last year. Samples of cotton, wheat, corn and soybeans were counted and weighed for all 21 states in the Objective Yield Survey program. That is the first time one location has processed all samples, which were previously completed in 6 labs across the US.

As we plan strategically for the future and think about the possibilities available with the building and staffing of the National Operations Center, two new projects are underway. First, a National Print Mail Center is under construction which will consolidate the printing and mailing currently done in four locations. The functions done at these four locations need to be relocated based on the Agency's realigned field office structure.

Consolidation of functions in one location will allow the procurement of state of the art equipment, reduced staffing, and increased efficiency in printing and mailing operations for NASS. The space is currently under construction and equipment is in the procurement stage. The first production line will be in place by October 2013 and begin operation as work is transitioned while a second production line will be in place by January 2014. Work from the four current print mail centers will quickly be transitioned to the new facility at the National Operations Center.

The second project underway is the equipping of the new NASS Continuity of Operations (COOP) space. This project allows NASS to continue operations and complete time and market sensitive statistical reports in the case of any incident that will not allow staff to prepare these reports from Headquarters. The space and computer system being installed will allow full analysis and dissemination of statistical reports in a secure and timely manner. This is possible with the staffing currently in place and the secure environment of the NOC. Full COOP capabilities will be in place by October 2013.

#### NASS International Programs Work

Mr. Aderholt: Please update the list provided in the fiscal year 2013 hearing record of the countries to which NASS is providing technical assistance, including a brief description of the assistance provided, for fiscal years 2009 through 2012 and estimates for fiscal years 2013 and 2014.

Response: These activities are conducted on a reimbursable basis with support from other agencies. As the premier agricultural statistics agency in the world, the National Agricultural Statistics Service (NASS) is supporting the U.N. Global Strategy to Improve Agricultural and Rural Statistics. A small staff supports this international effort, which affects world agricultural statistics released by the USDA World Agricultural Outlook Board. Following is a list of countries and the activities that have occurred, or are planned to occur, for each fiscal year.

Afghanistan FY 2011: Staff conducted an initial assessment of the capabilities of the government agencies responsible for agricultural statistics in Afghanistan and made recommendations for a capacity building program.

Argentina FY 2013: Staff, at the request of the US Embassy in Buenos Aires, conducted a series of lectures on agricultural statistics methodology with the Ministry of Agriculture and regional grain exchanges (bolsas) to improve crop production estimation.

Armenia FY 2009: Staff assisted with the initial planning for collecting agricultural data with the Armenian Population Census and conducting an agricultural census following the population census.

FY 2010: Staff continued to assist with the preparation of the population and agricultural censuses, including how to establish an agricultural producer register from the results. NASS staff also assisted with the preparations for a food safety survey.

FY 2011: Staff assisted in the review of pilot population census results and continued to prepare for the agricultural census. Staff also helped start a food safety survey across the country.

FY 2012: Staff assisted in the review of the agricultural data collected from the population census and make preparations for the agricultural census.

FY 2013: Staff will assist with developing a detailed plan of work and time schedule for the agricultural census. Included will be a plan to test the census questionnaire with small urban holders and large rural agricultural enterprises, data collection procedures and a public relations plan. Staff will also assist with the publication of agricultural information gathered in the population census.

FY 2014: Staff plans to assist with analysis of agricultural census and development of an annual survey program.

Bangladesh FY 2012: NASS conducted an assessment of the capacity of the government for agricultural data collection and analysis in support of the Feed the Future program.

FY 2013: Staff will work with other US government agencies and the government of Bangladesh to agree on appropriate strategies to develop a national system that produces reliable and timely agricultural Statistics. The system will align with the National Strategy of the Development of Statistics and the Global Strategy to Improve Agricultural and Rural Statistics.

FY 2014: Staff plans to provide technical assistance and training to improve the capacity to collect and disseminate quality and timely agricultural statistics.

Brazil FY 2009: Two groups visited the United States for training on the survey methodology and procedures for objective yield surveys in general with specific application for citrus objective yield.

FY 2010: Staff from the Brazilian Institute of Geography and Statistics attended a NASS workshop preparing for the Agricultural Resource Management Survey and worked with NASS staff to design a similar survey in Brazil.

Georgia FY 2009: NASS staff provided assistance to the Department of Statistics in the development of data collection quality control procedures. In addition, staff assisted in the analysis and summarization of Georgian quarterly agricultural survey and designed the sample for 2010. Staff from the Georgian Department of Statistics also traveled to the United States for training on survey methodology.

FY 2010: Staff assisted with the analysis and summarization of the quarterly agricultural survey data. Staff helped develop interviewer training programs and training for regional offices within Georgia. NASS staff also helped conduct data users meetings to determine the data needs of both public and private data users in the country. Finally, NASS assisted in producing a supplemental survey on animal health practices.

FY 2011: NASS staff assisted in preparations for the 2011 quarterly agricultural surveys. Staff also assisted in the review and analysis of the animal health practices survey. In addition, staff helped conduct regional training on data collection and survey methodology.

FY 2012: NASS continued to provide technical assistance to improve the quarterly agricultural surveys by instituting new survey methodologies and quality control procedures. NASS is assisting with collection and processing of animal health data from a survey of farmers and from a survey of veterinarians.

FY 2013: NASS Staff continue the FY 2012 program of assistance. Technical assistance efforts by NASS will include assisting GEOSTAT to prepare annual and quarterly statistical publications; assist GEOSTAT to update the list of agricultural operators and select new samples of agricultural operators for 2013 surveys; and assist GEOSTAT to prepare to collect agricultural data on the next population census of Georgia.

FY 2014: NASS will continue work to design and implement new agricultural surveys necessary to provide data for public and private sector users of Georgian agricultural statistics including the MOA's unit for market outlook and agricultural policy analysis.

Ghana FY 2011: NASS conducted an assessment of the capacity of the Government of Ghana for agricultural data collection and analysis in support of the Feed the Future program.

FY 2012: NASS visited appropriate officials and staff at the Ministry of Food and Agriculture and the Ghana Statistical Service to determine their priorities and identify collaborative activities for improving the timeliness and accuracy of the agricultural statistics they produce. This information formed the basis of a detailed plan for moving forward with an agricultural statistics improvement project.

Feed the Future FY 2013: Staff plans to work with USAID to conduct agricultural statistics assessments in preparation of Feed the Future projects. Possible countries planned are; Uganda, Kenya, and Senegal.

FY 2014: Staff plans to assist countries with agricultural statistics improvement projects in approved countries in accordance with each country's Feed the Future program.

Haiti FY10: NASS staff conducted an initial assessment of the market information and agricultural statistics system in Haiti during August 2010.

FY 2011: Staff completed an assessment of the agricultural statistics system in Haiti that included the Ministry of Agriculture, Natural Resources and Rural Development, National Food Security Coordination Office, National Center for Geo Spatial Information, Food Security Network, and the Haitian Institute of Statistics and Computing. NASS hosted a study tour for selected representatives of organizations associated with agricultural statistics to establish a long-term capacity building program in Haiti.

FY 2012: NASS worked with Haitian officials to implement an agricultural statistics capacity building program. A pilot project to test methodology for an annual agricultural survey was implemented.

FY 2013: Staff assisted with training Haitian staff in how to plan agricultural surveys and summarize results. Staff assisted with planning and conducting an agricultural forecasting and intentions survey in the first of Haiti's three crop seasons to help producers finalize planting and marketing plans.

FY 2014: NASS will work with Haitian officials to expand the FY 2013 project to include the remaining two crops seasons and a complete year report.

India FY 2013: NASS staff met with counterparts in the Ministry of Agriculture and public and private research institutions to assess areas that are of highest importance for cooperation in agricultural statistics and market information.

FY 2014: NASS will continue its cooperative relationship with Indian counterparts to examine and apply improved agricultural statistics methodologies.

Indonesia FY 2010: NASS staff conducted an extensive review of the agricultural statistics system of the Central Bureau of Statistics and provided recommendations for improvements.

Madagascar FY 2009: NASS organized and hosted a study tour for officials with the Directorate of Information Systems at the Malagasy Ministry of Agriculture, Livestock and Fisheries. The group learned about organization, methodology, and management of programs for preparing and disseminating official agricultural statistics, conducting economic analyses relative to production agriculture and agricultural markets, and developing marketing strategies. Further activities were suspended by the U.S. Department of State because of political instability in Madagascar.

Moldova FY 2011: NASS staff conducted an assessment of the Moldova National Bureau of Statistics capacity to collect, analyze, and disseminate agricultural statistics. Recommendations were provided for developing the Moldova General Agricultural Census (GAC) questionnaire. The design of a list sampling frame from GAC respondents was initiated.

FY 2012: NASS assisted with the development of a regular agricultural survey program. The survey program will consist of other, smaller surveys that use the sampling frame generated from the GAC as a basis to sample from.

FY 2013: NASS will continue to assist with the development and implementation of a routine agricultural survey program.

Mongolia FY 2009: Staff worked with the National Statistics Office to design a sample to determine livestock mortality rates in pilot aimags (states) to be used to determine indemnity payments for an index-based livestock insurance program sponsored by the World Bank. Staff also summarized results of the survey.

FY 2010: Staff worked with the National Statistics Office to design a sample to determine livestock mortality rates in pilot and operational aimags (states) to be used to determine indemnity payments for an index based livestock insurance program. Staff assisted the National Statistics Office's development of a summarization system.

FY 2011: Staff worked with the National Statistics Office to design a sample to determine livestock mortality rates in pilot and operational aimags (states) to be used to determine indemnity payments for an index based livestock insurance program. The program covered over 80% of the country.

FY 2012: Staff continued to assist with implementation of the index-based livestock insurance program. The program covered the entire country. The National Statistics Office has the capacity to design a sample, collect the required data and summarize the results to meet the needs of the livestock insurance program.

Mozambique FY 2011: NASS conducted an assessment of the capacity of the government to collect and analyze agricultural data.

Nigeria FY 2009: NASS staff conducted an initial assessment of Nigeria's agricultural statistics program. As a result, a team of agricultural statisticians from several organizations traveled to the United States for a study tour to learn about our agricultural statistics system. At the end of the tour, the group decided to request assistance to develop a pilot area sampling frame in one State.

FY 2010: NASS staff assisted geographic information systems personnel in developing the area sampling frame in Kaduna State. Staff also assisted in the development of a questionnaire and data collection methods for a pilot survey using the area sampling frame. Finally, staff assisted in the summarization of the data collected in the pilot survey.

FY 2011: Staff assisted with the evaluation of the area sampling frame based on the results of the pilot survey.

Pakistan FY 2011: Staff conducted an initial assessment of the agricultural statistics capabilities within the Ministry of Food and Agriculture, Federal Bureau of Statistics, and the Punjab Province Crop Reporting Service to develop a capacity building program.

Russia FY 2010: NASS staff provided training on survey methodology and sampling procedures to the Federal State Statistics Service of the Russian Federation as part of a project funded by the World Bank.

Rwanda FY 2013: NASS staff conducted an assessment of the agricultural statistics capacity of the Government of Rwanda and prepared an initial plan to work with other donor organizations for capacity building for the agricultural statistics producing agencies in Rwanda.

FY 2014: NASS plans to develop and begin to implement a detailed plan of capacity building to meet the goals USAID's Feed the Future initiative and the Global Strategy to Improve Agricultural and Rural Statistics.

Serbia FY 2009: NASS conducted an initial assessment of the agricultural statistics program working with the Ministry of Agriculture, Forestry and Water Management and the Statistics Office of the Republic of Serbia. Serbia was planning to conduct its first agricultural census in more than 50 years and requested assistance preparing for the census. NASS led workshops on questionnaire design and data collection and a critique of the census of agriculture questionnaire.

FY 2010: NASS continued assistance in preparation for the agricultural census by conducting workshops to prepare a publicity plan, to train interviewers, and to design output tables for the results of the census.

FY 2011: The Ministry of Agriculture, Forestry and Water Management requested assistance in developing a database of information to be used to address ad hoc policy questions within the Ministry. NASS hosted a workshop on database concepts and usage in the United States for key users from the Ministry and provided technical assistance as the database was being planned.

FY 2012: NASS continued to provide technical advice and review as the database of information is loaded and queries are developed. Assistance was provided for agricultural census planning.

FY 2013: NASS staff will work with the Statistics Office of the Republic of Serbia (SORS) to design samples for crop and livestock production surveys based on the result of their Census of Agriculture. NASS will also work with SORS and the Ministry of Agriculture to jointly produce a crop progress and condition report throughout the growing season.

South Africa FY 2011: NASS conducted an assessment of the capacity of the Government of South Africa to collect and analyze agricultural data.

Tanzania FY 2011: NASS conducted an assessment of the capacity of the government to collect and analyze agricultural data in support of the Feed the Future program.

FY 2012: NASS conducted a statistical workshop and a more in-depth assessment of the capacity for agricultural data collection.

FY 2013: Staff will work with the Government of Tanzania to improve agricultural statistical capacity through the development of methodology and implementation of an annual agricultural survey program. Steps will include the development of an area sampling frame, survey methodology, questionnaire and summary for a pilot survey in two regions of the country.

FY 2014: NASS plans to continue to provide statistical assistance and training to improve the capacity to collect and disseminate quality and timely agricultural statistics countrywide.

## Funding For State Offices

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record listing the funding for state offices for fiscal years 2009 through 2012 and estimates for fiscal years 2013 and 2014.

Response: The Information is provided for the record.

[The information follows:]

## NATIONAL AGRICULTURAL STATISTICS SERVICE

Geographic Breakdown of Obligations

(Dollars in thousands)

State/Territory	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Estimate	2014 Estimate
	Amount	Amount	Amount	Amount	Amount	Amount
Alabama.....	902	1,103	1,795	678	647	652
Alaska.....	201	225	224	170	156	157
Arizona.....	837	852	1,571	725	660	664
Arkansas.....	1,211	1,441	2,468	903	885	892
California.....	2,249	2,738	4,937	1,682	1,588	1,600
Colorado.....	1,250	1,313	2,244	1,333	1,298	1,309
Delaware.....	124	139	224	136	128	129
Florida.....	1,192	1,335	2,244	864	814	820
Georgia.....	1,313	1,365	2,020	694	670	675
Hawaii.....	775	955	1,571	631	586	590
Idaho.....	1,070	1,198	1,795	1,008	975	983
Illinois.....	1,441	1,412	2,244	1,136	1,122	1,131
Indiana.....	1,346	1,508	2,468	1,208	1,184	1,193
Iowa.....	1,284	1,438	2,468	1,022	995	1,003
Kansas.....	1,342	1,315	2,244	1,059	1,040	1,049
Kentucky.....	1,084	1,308	2,244	612	573	577
Louisiana.....	1,004	937	1,795	843	790	796
Maryland.....	899	915	1,795	635	611	616
Michigan.....	1,366	1,445	2,693	1,259	1,215	1,224
Minnesota.....	1,269	1,422	2,468	1,221	1,215	1,225
Mississippi.....	1,345	1,413	2,468	863	830	837
Missouri.....	1,096	1,140	2,468	9,805	8,003	8,043
Montana.....	845	1,032	2,244	871	836	842
Nebraska.....	1,340	1,313	2,020	1,236	1,201	1,210
Nevada.....	257	288	449	226	219	221
New Hampshire.....	1,117	1,162	2,244	1,087	1,064	1,073
New Jersey.....	939	957	1,795	780	756	762
New Mexico.....	733	821	1,346	650	595	599
New York.....	1,091	1,140	2,468	855	838	845
North Carolina.....	2,061	2,036	2,468	995	937	945
North Dakota.....	1,005	1,039	1,795	743	719	724
Ohio.....	1,428	1,600	2,468	895	848	854
Oklahoma.....	932	1,131	2,244	773	729	734
Oregon.....	1,094	1,225	2,020	906	882	889
Pennsylvania.....	1,077	1,207	2,020	672	649	654
South Carolina.....	870	974	1,571	827	780	786
South Dakota.....	1,179	1,232	2,468	899	883	891
Tennessee.....	992	1,026	2,468	1,168	1,111	1,120
Texas.....	1,969	2,310	3,590	1,434	1,368	1,379
Utah.....	728	816	1,346	712	671	676
Virginia.....	966	998	1,795	582	561	565
Washington.....	1,649	1,642	2,468	1,479	1,392	1,403
West Virginia.....	634	533	1,122	395	369	371
Wisconsin.....	1,459	1,538	2,917	1,307	1,256	1,266
Wyoming.....	651	810	1,795	478	444	447
District of Columbia.....	99,405	105,008	74,146	120,617	114,581	113,897
Puerto Rico.....	219	224	351	306	283	283
Undistributed Census of Agriculture..					6,681	
Total Direct Obligations.....	149,239	158,974	168,068	169,383	166,638	159,601

## NASS Special Surveys

Mr. Aderholt: Please provide a list and short description of any special surveys conducted in fiscal years 2011, 2012 and 2013.

Response: Please see the year-by-year breakdown below of special surveys that NASS has conducted and is currently conducting.

2011: On-Farm Renewable Energy: The 2009 On-Farm Renewable Production Survey (OREPS) was the first on-farm renewable energy production survey conducted at the national level by the National Agricultural Statistics Service (NASS). The energy survey provided an inventory of farm-generated energy practices with detailed data associated with the category or type of energy produced (wind, solar, and manure/methane digester), installation cost, percent of cost from outside funding, year installed, and total amount of utility savings from use of on-farm renewable energy production. The On-Farm Renewable Energy publication was released to the public in February 2011.

2012: NASS conducted the National Agricultural Classification Survey (NACS), a list-building survey used to assemble the census mailing list. The NACS was sent to potential farming operators with the intent of determining whether they meet the USDA farm definition. Those who meet the farm definition were included in the 2012 census.

2013: This is the production year for the 2012 Census of Agriculture. During this fiscal year NASS does not conduct any special surveys. However, this is a critical planning year for the first set of special surveys conducted as follow-on to the Census of Agriculture. Presently, NASS is making preparations to conduct the Farm and Ranch Irrigation Survey and the Census of Aquaculture in FY 2014. This includes content formulation, questionnaire design, population identification, programming and developing edit specifications, updating processing systems, developing data collection instruments, and organizing a marketing/public relations plan.

## NASS Pesticide Survey Expenditures

Mr. Aderholt: Please provide information on the NASS pesticide use survey. How much was spent on pesticide data collection in fiscal years 2009 through 2013 and what is estimated for fiscal year 2014?

Response: The National Agricultural Statistics Service (NASS) pesticide use is conducted on a reimbursable basis for the Agricultural Marketing Service (AMS). NASS assists in the development of sample designs, survey procedures, and estimation routines for AMS's, Monitoring Program Office Pesticide Data Program.

[The information follows:]

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
	Actual	Actual	Actual	Actual	Actual	Estimate
Pesticide Use Survey	\$30,000	\$40,000	\$40,000	\$35,000	\$35,000	\$35,000

#### NASS Fertilizer and Chemical Input Survey Expenditures

Mr. Aderholt: Please provide information on NASS fertilizer and chemical input surveys, including cost per year and frequency. How much was spent on these surveys in fiscal years 2009 through 2013 and what is estimated for 2014?

Response: In FY 2011, the National Agricultural Statistics Service (NASS) redesigned the chemical and fertilizer use program to continue but with a reduced frequency. The fruit chemical use surveys were performed in 2011; continuing the first and third year rotating in a 5-year cycle for the fruit and vegetables. The chemical and fertilizer use survey is also coordinated in conjunction with the Agricultural Resource Management Survey (ARMS) for row crops and other crops.

[The information follows:]

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
	Actual	Actual	Actual	Actual	Estimate
Chemical Use Surveys					
Fruit	\$2,409,880	\$2,670,676	\$534,332	\$774,883	\$931,000
Post harvest	\$2,784	\$1,467,723	-	-	-
Vegetable	\$37,336	\$4,061,601	\$1,911,316	-	\$930,000
Row Crops & Other	-	-	\$3,239,352	\$2,946,117	-
Total	\$2,450,000	\$8,200,000	\$5,685,000	\$3,721,000	\$1,861,000

#### NASS Organic Surveys

Mr. Aderholt: Please provide information on NASS organic surveys. How much was spent on these surveys in fiscal years 2009 through 2013 and what is estimated for 2014?

Response: In 2008, the Farm Bill awarded National Agricultural Statistics Service (NASS) a reimbursable one-time agreement through the Commodity Credit Corporation for \$1,000,000 for organic studies and the organic survey occurred in 2009. NASS additionally received \$250,000 in FY 2010. This was used to fund summarization and dissemination of the 2009 survey results.

NASS conducted the 2011 Certified Organic Production Survey in conjunction with USDA's Risk Management Agency. The target population was all farms and ranches meeting the standards of the National Organic Program administered by the USDA's Agricultural Marketing Service. The survey was a complete enumeration of all known certified organic producers in 2011.

The 2011 Certified Organic Production Survey provided acreage, production, and sales data for a variety of certified organic crops and inventory and sales data for selected certified organic livestock

commodities. In addition, data for land in farms, participation in federal farm programs, and marketing practices on certified organic farms are included.

Data from the 2011 Certified Organic Production Survey provided industry with a reliable source of public information to use to justify research projects and fund requests to benefit producers. Producers can make informed decisions about the future of their organic farming operations. The data will help shape future decisions regarding farm policy, funding allocations, and availability of goods and services. The 2012 Census of Agriculture has an entire section devoted to organic farming. Data from this section will be published in early 2014 and respondents who indicate organic agriculture production become part of a sampling frame that can be used for more in-depth studies in the future.

#### NASS Census of Agriculture Cyclical Plans

Mr. Aderholt: Please provide an update on the Agricultural Census and a full cycle accounting of costs.

Response: The Census of Agriculture is the leading source of facts and figures about American agriculture. Conducted every 5 years, the Census provides a detailed picture of U.S. farms and ranches and the people who operate them. It is the only source of uniform, comprehensive agricultural data for every State and county in the United States.

Participation by every farmer and rancher, regardless of the size or type of operation, is vitally important. NASS strives to maximize representation by maximizing response rates. For the 2012 Census of Agriculture, forms were mailed in December 2012 asking farmers and ranchers to respond by mail or online by early February 2013. NASS has completed three mailings and is in the phone and field follow up phase of data collection. The phone and field follow-up is critical for ensuring that every demographic, farm type, and farm size is accurately counted. At this time, the response rate for the 2012 Census of Agriculture is 70% with data collection lasting until the end of May. Response rate for the current Ag Census is slightly higher when compared to five years ago.

For the first time since taking over the Census of Agriculture in 1997, NASS has set up a Census Edit Unit (CEU) at the National Operations Center in St. Louis. The CEU is made up of about 70 recent or soon to be college graduates. These trained analysts are dedicated only to editing census responses which will provide a more consistent approach and should result in higher quality data.

Data editing is scheduled to be completed in June. At that point, NASS will shift its focus toward data analysis and summarization. In July, NASS is scheduled to run a preliminary summary before kicking off an 8 week period dedicated to intense analysis. Upon the completion of that analysis period, NASS will summarize data again and begin the review of data to prepare for release. NASS will spend the first two months of FY 2014 reviewing publication tables and performing disclosure programming to guaranty that respondent data is held strictly confidential.

Starting around December, 2013 NASS will begin final preparations for the release of the 2012 Census of Agriculture. During this time, final census

products will be assimilated and one final quality control review will take place. Tasks associated with release preparations will last until the data is made available to the public in early 2014. NASS will be rolling out a number of census products throughout FY 2014.

Around the same time that NASS is preparing for the Ag Census release, we will begin data collection on the Census of Aquaculture and Farm and Ranch Irrigation Survey. Both of these are follow-ons, or special studies, to the 2012 Census of Agriculture and are possible only after successful data collection, editing, and analysis of the Ag Census.

An accounting of the costs of the Agricultural Census is just below. Explanation of each category follows the table.

The information is provided for the record.

[The information follows:]

Census of Agriculture	First FY 2010 Enacted	Second FY 2011 Enacted	Third FY 2012 Enacted	Forth FY 2013 Budget	Fifth FY 2014 Estimate
Direction	\$7,700,000	\$7,173,000	\$7,300,000	\$7,790,000	\$8,250,000
Content Determination & Design	2,500,000	7,400,000	8,550,000	2,800,000	5,145,000
Mail List Development & Mailout	7,100,000	6,000,000	8,900,000	13,689,000	7,200,000
Collection and Processing	16,808,000	10,000,000	13,139,000	29,000,000	13,100,000
Publication & Dissemination	3,800,000	2,500,000	3,750,000	4,750,000	8,600,000
<b>Total Census Cycle</b> <b>\$212,944,000</b>	<b>37,908,000</b>	<b>33,073,000</b>	<b>41,639,000</b>	<b>58,029,000</b>	<b>42,295,000</b>

**Direction:** Includes planning and support activities to conduct the Census of Agriculture and follow-on activities, special studies, or surveys. Specifics include the design and testing of collection and processing systems, pretest activities, and overall coordination of the Census of Agriculture. Additional activities include obtaining approval from the Office of Management and Budget, documenting, monitoring systems and procedures, coordinating editing and analysis, and soliciting data user feedback.

**Content Determination & Design:** Includes determining questionnaire content for the Census of Agriculture and follow-on surveys or special studies. NASS staff researches, evaluates, and tests the questionnaires. This work also includes development activities for mail and electronic instruments, and the cost to print forms.

**Mail list development & Design:** Encompasses the costs associated with updating, maintaining, and enhancing the list of producers that will receive the Census of Agriculture questionnaire. Because of the consistent and redundant activities necessary to develop a robust and proficient Census of Agriculture mail list, NASS eliminated the maintenance of a separate mail list for the Agricultural Estimates annual surveys. The Census of Agriculture mail list is now used for both Census of Agriculture and

Agricultural Estimating Programs. Postage for the Census of Agriculture Mail out packets is also included in this category.

Collection & Processing: Comprises all activities associated with data collection, including telephone operations, correspondence, editing, correcting erroneous or inconsistent data, and non-response follow-up activities. Significant increases in this category are tied to pay cost increases for National Association of State Departments of Agriculture (NASDA) enumerators and cost of the processing contract with the National Processing Center. In addition, part-time staff is needed for reviewing the large volume of returned records and correcting errors or inconsistent data.

Publication & Dissemination: Entails all operations related to final review of data, publication, and dissemination to data users. This category covers printing special publications, development of electronic media, outreach, customer service, and public relations including marketing these products prior to data collection through public awareness activities.

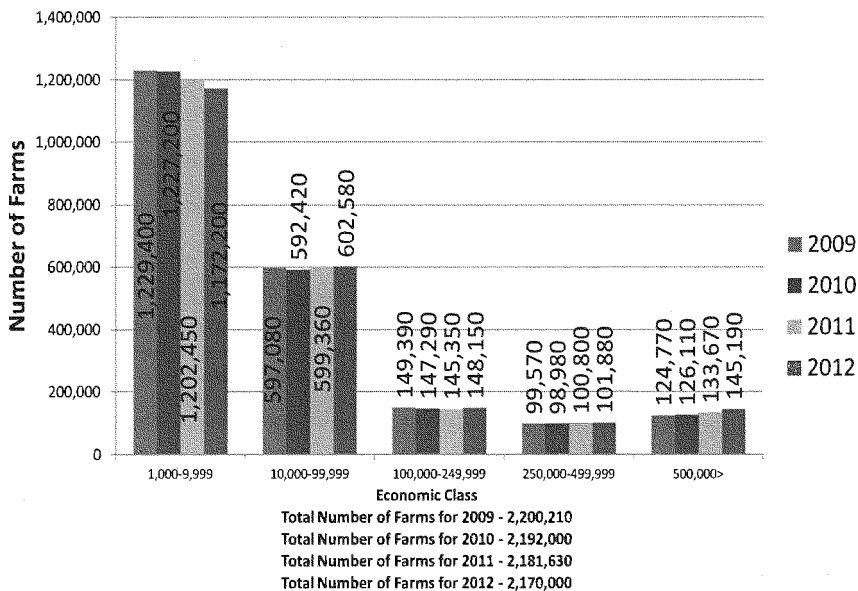
#### Farm Numbers and Land in Farms

Mr. Aderholt: Please provide a chart with the number of farms and ranches operating in the United States, acreage of land being farmed and ranched by category and total acreage for 2009, 2010, 2011, and 2012.

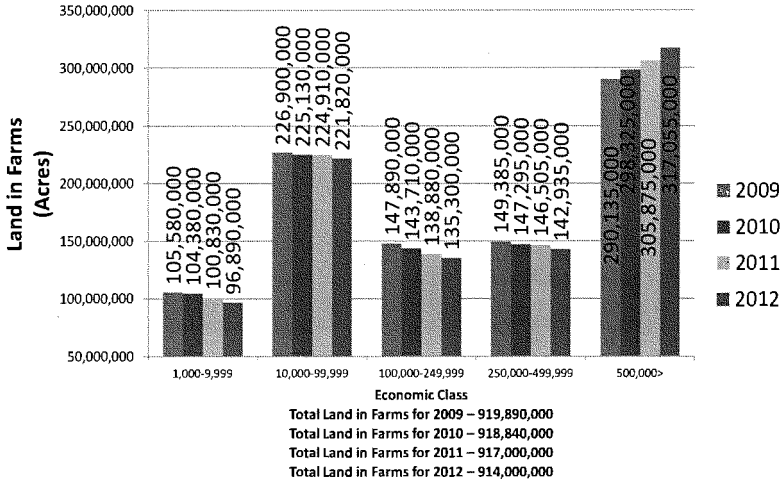
Response: The information is provided for the record.

[The information follows:]

# Number of Farms by Economic Sales Class, United States



## Land in Farms by Economic Sales Class, United States



### NASS Program Suspensions

Mr. Aderholt: Please provide a complete description of the reports scaled back or terminated in fiscal year 2013.

Response: Please see the list of programs and projects below that were announced for suspension or reduction in scale on March 12, 2013, as a result of sequestration.

#### Agricultural Estimates Programs Announced for Suspension

##### Catfish Processing:

Processors' monthly reports on farm raised catfish. These reports included round weight purchased, prices paid, inventory, quantity sold, imports and exports.

##### Catfish Production:

January and July report of grower inventory and sales numbers by sales groups for major production states and United States.

**Catfish Feed Deliveries:**

Monthly feed deliveries made to catfish farms by feed mills. These reports included deliveries for foodsize fish, fingerlings, and brood fish.

**Trout Production:**

Annual report released in February of grower sales, distributed trout, and fish losses for major production states and United States.

**July Cattle:**

This report provided a mid-year publication of inventory by class for all cattle and calves as of July 1. The report also contained expected current year U.S. calf crop, and total number on feed July 1.

**Mink:**

This report provided mink pelt production by color and class for selected states for 2012 and 2013. Also provided in the report were females bred and to be bred for 2013, value of pelt production and number of mink farms.

**Milk Production:**

This report provided total milk production for the preceding month for 23 major states and U.S. January, April, July, and October contains quarterly production for all states and U.S.

This program was modified to use administrative data only to produce milk production estimates but no monthly estimates for cow numbers or rate per cow. Quarterly surveys which were suspended provided data for cow numbers, rate per cow and trended up monthly production numbers. This is the interim plan for the remainder of Fiscal Year 2013. NASS will review all programs against budget availability and determine a course of action for Fiscal Year 2014.

**Hop Stocks (September 20):**

This is a report of grower, dealer and brewer stocks as of September 1.

**Potato Stocks (April 17 and June 14):**

This is a report of grower, processor and local dealer storage stocks in fall producing areas, as of the first of the month

**Cherry Production (June 27):**

This report contained mid-June production forecast for 2013 tart and sweet cherry crops

**Cranberries (August 13):**

This is a report of indicated 2013 production, as well as, production for 2011 and 2012 crops.

**Noncitrus Fruits and Nuts 2012 Summary (July 17):**

This report included -

- 1) An annual summary of acreage, yield, production, use, price, and value of 2012 crop.
- 2) Data for apples, peaches, pears, apricots, avocados, bananas, berries, cherries, cranberries, dates, figs, grapes, guavas, kiwifruit, nectarines, olives, papayas, plums, strawberries, almonds, hazelnuts, macadamias, pecans, pistachios and walnuts.

## Vegetables (September 6):

This report included -

- 1) Acreage, yield, production and value for onions.
- 2) Acreage, yield and production for processing vegetables: green peas, snap beans, sweet corn and tomatoes.
- 3) Acreage, yield, production, marketing year average price and utilization for asparagus. Acreage, yield and, production for strawberries.

## Rice Stocks (June 28):

This report included rough and milled rice stocks on and off farms, as of June 1, as well as, Rice stocks by length of grain classes.

## Pulse Crops Stocks (June 28):

This report contains on and off farms stock of dry edible peas, lentils, Austrian winter peas, and chickpeas as of June 1.

Agricultural Estimates Reports Scaled Back in FY 2013

## Monthly Crop Production

The following items will not be included in this year's reports:

## May 10 Report -

- 1) Revision of 2012 almond production
- 2) Indicated 2013 production of almonds

## June 12 Report -

Hops area strung for harvest by variety

## July 11 Report -

- 1) Planted and harvested area for dry edible peas, Austrian winter peas, and lentils
- 2) Indicated production of apricots, almonds

## August 12 Report -

- 1) Indicated area harvested, yield and production as of August 1 for hops
- 2) Indicated production of commercial apples, peaches, pears, and grapes

Census of Agriculture Projects Suspended

NASS is conducting the 2012 Census of Agriculture on Puerto Rico, but due to the reduced budget coverage for the other Outlying Areas is suspended. The outlying areas consist of:

- o Guam,
- o the U.S. Virgin Islands,
- o Samoa, and
- o U.S. Northern Mariana Islands.

Two Census of Agriculture special products are suspended:

- o Zip Code Tabulations
- o County Profiles

### Cost Savings Measures

Mr. Aderholt: Please describe the cost-saving measures the agency has adopted over the past three fiscal years (FY 2011-2013).

Response: The information is provided for the record.

#### Overview

The National Agricultural Statistics Service (NASS) has pursued a number of transformational initiatives during the past three years to reinvent their survey processing and survey operations. With tightening budgets on the horizon, NASS realized that significant efficiencies in how surveys are conducted must be realized to stay relevant as a federal statistical agency. The following seven initiatives have been advanced to provide cost savings and data quality improvements in the production of agricultural statistics.

- o Replaced thousands of distributed data files with enterprise metadata and databases for survey processing.
- o Reengineered survey applications to make optimal use of the enterprise databases; remove duplicative survey applications, and restrict standalone survey applications from being developed.
- o Retired distributed hardware used to support survey processing in 48 locations and implemented centralized servers and centralized management of desktops.
- o Centralized critical survey operations.
- o Reduced significantly the amount of manual survey work.
- o Restricted the amount of subjectivity in sample survey estimation.
- o Redirected travel funds to enhance communications and survey training across the Agency using Video Teleconferencing.

#### Replaced thousands of distributed data files with enterprise metadata and databases for survey processing.

The decentralized survey processing environment at NASS had led to an underutilization of a wealth of survey data and paradata located in thousands of disparate data files. In addition, non-standard survey metadata and survey applications have introduced data inconsistencies and work inefficiencies. Therefore, NASS committed to migrating to consistent survey metadata, centralized databases, and generalized survey applications to improve sampling and estimation procedures, to enhance edit and imputation processes, to expand analytical capability, to improve data quality, and to strengthen data security. The technical solution was to provide standard descriptive metadata and survey questions across the entire agricultural statistics program using a Metadata Repository System and a Question Repository System. Enterprise transactional databases (optimized for capturing and updating records) have been implemented to capture and update survey data, such as a transactional database for capturing data responses from Computer-Assisted Web Interviewing (CAWI), Computer-Assisted Telephone Interviewing (CATI), and Computer-Assisted Personal Interviewing (CAPI). Enterprise analytical databases (optimized for accessing records for analysis and generating reports from the analysis) have also been implemented. NASS has implemented a near real-time analytical database for all survey response data and paradata

from all data collection instruments. This will allow for adaptive sample design, optimal respondent contact scheduling and mode assignment, and improved data analysis.

The enterprise metadata and database framework has also positioned NASS to develop customized survey instruments to reduce respondent burden and to disseminate customized and more diverse data products to the public. A more streamlined survey processing environment results since there is no longer the need to create, manipulate, and transfer thousands of data files from application to application. A more integrated survey processing environment is provided since standard metadata and enterprise databases are shared across applications rather than applications having different data sources and metadata, which introduced work inefficiencies and data errors. For example, over 5,000 data errors were identified and resolved in our publicly-available, historical agricultural statistics database when NASS transitioned to a simplified analytical database containing all official agricultural statistics in five tables that uses hierarchical metadata for easy browsing and data access.

Reengineered survey applications to make optimal use of the enterprise databases; remove duplicative survey applications, and restricted standalone survey applications from being developed.

NASS committed to modernizing its survey applications that perform all processing tasks from survey inception to the publication of official agricultural statistics. The technical solution was to develop generalized application services or modules that are thin-client or web-based working directly off enterprise databases. This results in more flexibility in conducting surveys since employees can access applications and data from anywhere in the Agency, which allows NASS to operate as one rather than 48 decentralized units. Examples of NASS applications that have been reengineered to work optimally off enterprise databases are the CATI, interactive data analysis, and publication applications.

A more efficient survey process results when there are fewer applications to maintain and fewer applications for employees to master. NASS also determined that fewer generalized national applications were needed since they overlapped in functionality. For example, NASS had two call schedulers and two CATI systems and decided to invest in one call scheduler and CATI system. Finally, NASS committed to using the database-optimized, generalized applications for virtually all surveys, and therefore restricted employees from developing standalone or stovepipe applications. Using generalized application services and standard survey procedures for all surveys reduces staff requirements and provides opportunities for data quality improvements through standardized survey processing of federal and state surveys.

Retired distributed hardware used to support survey processing in 48 locations and implement centralized servers and centralized management of desktops.

A cluster of virtualized servers were implemented with applications executing from centralized servers and employees accessing the network from a web browser. Virtualization lets organizations run

multiple virtual machines on a single physical machine; thereby sharing the resources of that single computer. Virtualization improved NASS' agility, enabled standardization, and is more cost efficient. Employees can now access applications and data anywhere and anytime from their desktops, laptops, or smart phones, which has provided new opportunities for NASS to operate more efficiently and effectively. Survey tasks can now be performed across Field Offices at a regional or national location, or shifted from one Field Office to another Field Office, which makes better use of staff resources. This transformational initiative provided cost savings by streamlining "servers, storage, sites, software, security, and staff" from 48 locations.

Other positive results have been realized. NASS not only streamlined network administration, but also strengthened data security by having one rather than almost fifty physical locations containing servers and survey data. Hardware costs have decreased by more fully utilizing server capacity, and, finally, energy consumption has been reduced through the consolidation and centralization of servers.

#### Centralized critical survey operations.

NASS opened the National Operations Center (NOC) in Missouri late in 2011. The NOC is the culmination of the need for a more efficient survey processing model with the goal to enhance data quality through increased standards and better use of technology while reducing some of the redundancy of survey operations across the 46 Field Offices. The focus of the employees at the NOC is the quality of the record-level survey data. Historically, the maintenance of the list sampling frame of farmers and ranchers has been managed in the 46 Field Offices. Centralized management of the list sampling frame now occurs at the NOC to provide a more efficient and consistent list frame. Teams have been formed and assigned a geographic region to ensure the required knowledge about regional agriculture is preserved and the proper service is provided to Field Offices.

CATI originally was conducted in all Field Offices and more recently primarily in six Regional Data Calling Centers. A 154-station CATI Call Center has also been set up at the NOC to provide more efficient and consistent telephone data collection. The NOC Calling Center is responsible for scheduling the work for all NASS Call Centers. Additionally, all telephone interviewer staffs in the 6 Regional Data Calling Centers and the NOC Call Center are responsible for maximizing the telephone data collection response rates for assigned survey projects. Quality Control measures are being integrated into applications used to manage the forms processing and list frame maintenance.

#### Reduced significantly the amount of manual survey work.

NASS uses a labor-intensive, manual editing process for many surveys. The editing process is not necessarily consistent across or within Field Offices. Editing data too much can result in lost productivity and can even be harmful to data quality. Given limited time for data review, there is potential for manual editing to miss higher impact data problems. The use of significance editing is being deployed to reduce manual editing, provide more consistency in data

review, and hopefully improve data quality. Significance editing reduces the time spent manually reviewing and correcting survey data without damaging the quality of the data. This allows staff to focus on the accuracy of reported data that strongly influence survey estimates. The four components of significance editing being implemented at NASS are statistical editing (using Banff from Statistics Canada), selective editing, outlier detection, and quality control.

NASS conducted CAPI research in the 1990's, but deployment was not feasible due to technology costs. With decreasing technology costs and increasing data collection costs, NASS decided to utilize newer technology to collect data more efficiently and effectively. The technical design includes an innovative, thin client CAPI solution leveraging wireless broadband technology and NASS' web data collection system. The approach involves a field interviewer accessing the web data collection site via the Internet using an Apple iPad with Wi-Fi capabilities. Data is not stored on the iPad, but is encrypted and sent to the web data collection server, which in turn passes the secured data behind the NASS firewall for editing and analysis. Tablet technology is easier for field interviewers to maneuver, offers a larger screen size, better resolution and with touch screen technology can increase data entry speed. Incorporating CAPI into the NASS data collection process will improve the timeliness of data arriving in the office, allow for monitoring survey data collection in near real-time and the use of adaptive sample design, reduce data entry errors, decrease the amount of staff time required for questionnaire handling in Field Offices by eliminating the manual check in, sorting, filing, and manual editing and keying of questionnaires, plus reduce postage, printing, and paper costs.

#### Restricted the amount of subjectivity in sample survey estimation.

For major crop and livestock surveys, NASS analyzes survey data from agricultural producers along with administrative or survey information on the final utilization or disposition of the commodity in graphical time series charts and balance sheets to amalgamate the data into an official estimate or statistic. This process introduces some subjectivity by incorporating expert judgment into the estimation process, which lacks transparency and repeatability. Statistical measures of error or quality are not provided with these estimates. Therefore, NASS has made significant progress researching and developing modeling solutions for crop yields and livestock inventories to provide statistical objectivity to the survey estimation process for these highly market-sensitive surveys and quality measures for the modeled estimates.

#### Redirected travel funds to enhance communications and survey training across the Agency using Video Teleconferencing.

In a decentralized survey organization like NASS, communications between Headquarters and the 46 Field Offices is critical to provide standard training on survey procedures across all locations. In a time of shrinking budgets, travel has been reduced, which decreased the amount of travel money available for training statisticians throughout NASS on proper survey procedures. It is imperative that training not be sacrificed so that consistent survey procedures are deployed across the 46 locations. Video Teleconferencing (VTC) combines audio, video,

and content to provide an effective means for communication and survey training across multiple sites. It enables people who cannot be physically present in the same location to still participate in face-to-face training. VTC helps maintain the critical communications needed by a decentralized agency to deploy survey operations consistently. Therefore, VTC was recently implemented in all Field Offices and Headquarters. Survey training materials for field and telephone interviewers will be standardized and prepared at the NOC in St. Louis and some of the training materials will be delivered using VTC.

#### Current Industrial Reports

Mr. Aderholt: Please provide for the record information regarding the proposal to begin collecting four Current Industrial Reports.

Response: The Current Industrial Reports (CIR) program was conducted by the U.S. Census Bureau previously. These previous industrial reports included a wide range of surveys that included commodities from the following commodity groups: agriculture, aerospace, appliances, pharmaceuticals, textiles and many more. In response to USDA needs NASS is proposing to start producing four of approximately forty-seven vital Current Industrial Reports that were formerly compiled by the U.S. Census Bureau through the end of 2011. All the CIR surveys are part of the U.S. Economic Census Program as is the Census of Agriculture and, as such, are mandatory and required by law.

Primary users of these data include government and regulatory agencies, business firms, trade associations, and private research and consulting organizations. The USDA World Agricultural Outlook Board (WAOB) uses the data in many of their indexes. The Bureau of Economic Analysis (BEA) and the Bureau of Labor Statistics (BLS) use the data in the estimation of components of gross domestic product (GDP) and the estimate of output for productivity analysis, respectively. Many government agencies, such as the Department of Agriculture, Food and Drug Administration, Bureau of Economic Analysis, and International Trade Administration use the data for industrial analysis, projections, and monitoring import penetration.

This request supports estimation requirements for NASS, Economic Research Service (ERS), the World Agricultural Outlook Board (WAOB), the USDA Chief Economist, and the Census of Agriculture. Private industry uses CIR data to monitor the effect of international trade on domestic production, evaluate the relationship between company and industry performances, market analyses, assess current business conditions, and plan future operations. The CIR reports NASS will produce are listed below:

1. M311J - Oilseeds, Beans, & Nuts (Primary Processors): This monthly report that covers all establishments crushing or solvent processing vegetable oil bearing materials (oilseeds, beans, nuts, etc.) including establishments using a continuous process that immediately refines the oil.

2. M311K - Fats and Oils (Production, Consumption, & Stocks): This monthly report covers most businesses that produce various edible and inedible fats and oils.

3. M313P - Cotton, Manmade Fiber Staple, & Raw Linters (Consumption, & Stocks, & Spindle Activity): Data are collected weekly for this monthly report covering all manufacturing plants consuming cotton, manmade fiber staple, and raw linters except consumption of uncut top and other longer fibers on the "American" and other new systems for spinning uncut top.

4. MQ311A - Flour Milling Products: This quarterly report provides flour data that are used along with survey data to accurately measure wheat production and stock levels.

In order to develop a complete and comprehensive list of operations, NASS will also conduct an Operation Profile at the beginning of the survey process. This profile will be used to identify operations that do not meet the criteria to be included in this group of surveys also to serve as a training tool. If warranted the profile can be repeated on an annual basis, or used selectively to train new respondents. The training that will be provided is designed to help insure consistent, accurate, and complete data reported on a monthly basis. The remaining eight different data collections will be conducted monthly of all known operations. These surveys will be conducted as a part of the Census of Agriculture and are mandatory as defined under Title 7, Sec. 2204(g).

#### Economic Research Service

#### SNAP, WIC, and Child Nutrition Programs

Mr. Aderholt: Please update the description provided in the fiscal year 2013 hearing record of the research ERS conducts related to SNAP, WIC and child nutrition programs, including funding, for fiscal years 2009 through 2013. Also describe ERS's plans for fiscal year 2014.

Response: The Economic Research Service (ERS) conducts economic research and analysis on the immediate and long-term consequences of alternative policies and programs aimed at ensuring access by children and adults to safe and nutritious food. This research addresses factors that can improve the effectiveness and efficiency of the Nation's domestic nutrition assistance programs, including the SNAP, WIC, and the Child Nutrition Programs. Research findings are used by policy makers, program managers, and those shaping efforts to promote access to affordable and healthful food, especially by low-income households.

Extramural research leverages ERS's internal research expertise and draws upon the multidisciplinary expertise of outside researchers and the resources of institutions and universities across the country.

During fiscal years 2009 through 2013, ERS conducted internal research and funded extramural research in targeted, high-priority areas including: food assistance and children's well-being; food insecurity among households with working-age adults with disabilities, interactions between the "built environment" and food assistance; using behavioral economics and incentives

to promote child nutrition; food assistance and the recession, and food access. During 2012 and 2014, ERS is partnering with the Census Bureau and the Food and Nutrition Service to make better use of SNAP and WIC program administrative data for research. ERS has established memorandum of understanding with each agency to use administrative data to understand better the program participation decisions of eligible households, to study the characteristics of eligible nonparticipants, and to enhance national survey data by including better measures of program participation.

In 2013 ERS is working with the Food and Nutrition Service (FNS) and the National Academy of Science Committee on National Statistics to identify research gaps and opportunities to advance understanding of the causes and consequences of child hunger and food insecurity in the United States. FNS has a mandate from Section 141 of the Healthy, Hunger-Free Kids Act of 2010 to pursue a research program on this important topic and sought ERS technical guidance on how best to move forward on the research gaps.

In 2013 ERS and FNS are conducting the first-ever census of farm to school activities in School Food Authorities (SFAs). The Farm to School Census will be used to establish a baseline measure of local food purchases in schools and set priorities for USDA programming related to local school food sourcing. The Farm to School Census data will be used in mapping SFAs that procured local foods for school meal programs in order to characterize the geographic distribution of farm to school programs and obtain State-level estimates of the prevalence of local procurement among SFAs. These data will be used by FNS to set priorities for USDA outreach and technical support.

In fiscal year 2014, ERS research will continue to support the USDA's annual data collection on food security in the United States, examine how food choices and health outcomes are related to food assistance programs and community characteristics, and analyze key food assistance-related questions about food acquisition behavior using ERS's new Food Acquisition and Purchase Survey (FoodAPS).

ERS proposes an initiative for FY 2014 that will strengthen its ability to conduct 21st-century research that supports improving USDA policy effectiveness in a time of tight federal budgets. The initiative adopts two innovative strategies—the use of behavioral economics and the statistical use of administrative data—to address critical information gaps that hinder policy effectiveness. Through the initiative's support, ERS will expand internal expertise, support collaboration with USDA program agencies, and form partnerships with extramural researchers to: (1) fund experiments that incorporate concepts from behavioral economics, identifying high (and low) performing options without the costs associated with new program implementation; and (2) create and evaluate unique merged administrative data systems by linking multiple sources, assessing statistical properties, and analyzing the merged data for policy-relevant research. Results of the initiative will provide science-based evidence that informs decision making by policy makers and program managers in the Congress, USDA, and across Federal and State governments. The initiative supports the priorities, goals and objectives of the Research, Education, and Economics (REE) 2012 Action Plan and the Office of Management and Budget's 2012 memorandum on the use of evidence and evaluation in the 2014 budget.

[The information follows:]

ERS activities related to	FY 2009 Enacted	FY 2010 Enacted	2011 Enacted	FY 2012 Enacted	FY 2013 Estimate	FY 2014 Request
Human Nutrition						
Extramural research (FANRP + RIDGE)	\$4,408,000	\$4,408,000	\$4,408,000	\$3,408,000	\$3,408,000	\$4,402,190
Intramural Human Nutrition Research	7,567,000	7,966,000	7,966,000	8,481,000	8,481,000	8,565,810
Data on food prices, purchases, and consumption	3,500,000	3,500,000	3,500,000	2,985,000	2,985,000	2,985,000
<b>Total</b>	<b>15,475,000</b>	<b>15,874,000</b>	<b>15,874,000</b>	<b>14,874,000</b>	<b>14,874,000</b>	<b>15,985,000</b>

Supplemental Nutrition Assistance Program and State Unemployment Insurance Programs

Mr. Aderholt: Please update the fiscal year 2013 hearing record regarding ERS's research effort using data from Supplemental Nutrition Assistance Program and data from state Unemployment Insurance programs to determine how the two programs work together to support families experiencing unemployment. What is the status of the study? Please summarize the results of it.

Response: This project examines operational issues of the U.S. Department of Agriculture's Supplemental Nutrition Assistance Program (SNAP) and its support for the working poor. In particular, the research addresses: (1) operational issues regarding SNAP participation decisions and the dynamics of program participation among low-income households with workers, and (2) the interactions between receipt of SNAP benefits and State Unemployment Insurance (UI) benefits. An issue of primary concern is the impact of the recent recession on the nation's safety net. Since welfare reform in 1996, the two principal components of the safety net are USDA's SNAP, an entitlement program which provides monthly benefits to be used for food purchases by eligible households, and the State and Federally funded UI programs, which issue weekly benefits to individuals who have lost their jobs and meet those programs' eligibility requirements. This project investigates the relationship between these two important components of the safety net in seven states—California, Florida, Georgia, Illinois, Maryland, Michigan, and Texas.

Information about the interactions between the two programs can identify potential "gaps" in coverage or utilization of SNAP. We know that about 30 percent of eligible households do not participate in SNAP; this research will indicate the extent to which UI exhaustees turn to SNAP as well as the number of months for which they receive no assistance from either safety-net program. These exhaustees may be an easily identifiable target group for SNAP outreach.

Preliminary analysis shows that from 6-19% of new, working-age SNAP recipients had stopped receiving UI benefits before applying for SNAP, and that the gap in receipt of benefits shortened during the recession; the variation from 6-19% occurs across the seven states and time within the 2006-09 period of investigation. Between 1-16% of new, working-age SNAP recipients were still receiving UI benefits when they were certified for SNAP, and between 2-10% started receiving UI benefits *after* receiving their first SNAP benefits, thereby reducing their monthly SNAP allotments.

An implication of the statement above is that monthly SNAP allotments may rise if households participating in both programs exhaust their UI benefits before finding new employment, so we also plan to investigate earnings levels both before and after SNAP enrollment. Learning more about the joint and sequential use of SNAP and UI can inform such policy and operational decisions as outreach efforts and matching employment and training requirements to needs, as well as gaining a better understanding of factors affecting future program costs.

## Global Food Security

Mr. Aderholt: The ERS budget requests an increase for economic analysis and research. This includes funding for an annual assessment of global food insecurity from 2014 to 2024. This research will go to assist USAID and other stakeholders in the decision making process for allocating funds for food aid. How does ERS's food aid research benefit US Government programs? Will there be any changes to these programs if the reforms to Food Aid in the President's Budget are enacted? Are there any similar efforts at USAID or other agencies for research on global food insecurity? Approximately how much does ERS plan to obligate for this activity?

Response: ERS food aid research benefits U.S. government programs through its annual assessment of food security, as well as its work with USAID and other US government agencies involved in the Feed the Future initiative. The International Food Security Assessment model provides a 30 year data base and country models to produce annual estimates of food insecurity for 76 lower income countries and 10-year forecasts of food security trends. By using the same approach across all countries, the model allows comparisons of food security across countries and time, as well as analysis of alternative outcomes based on changes as a result of changing conditions or policies. The results have been used to inform food aid decisions in USDA and USAID, as well as to support USDA participation in global food security discussions. In addition, ERS has worked with USAID to support Feed the Future activities by disseminating its country security models and training local staff to create better measures of food security and analyze the effects of alternative outcomes and policies. Because ERS analysis estimates aggregate food needs, and does not disaggregate its analysis to specific programs, the utility of its analysis will not change if the reforms to Food Aid in the President's budget are enacted.

USAID creates shorter term estimates of food insecurity through its Famine Early Warning System (FEWSNET). ERS has worked with FEWSNET to supply longer term analysis and develop tools for coordinated in-country analysis. ERS also works with the Food and Agriculture Organization (FAO) which provides annual assessments of global food security but with no associated long term forecasts or model to analyze the impact of alternative outcomes and policies.

ERS plans to obligate \$221,600 for this specific activity in FY 2013.

## Funding Under Other USDA Appropriations

Mr. Aderholt: The FY 2014 budget request estimates a \$1,396,000 "other USDA appropriation". Please show where this is from.

Response: ERS estimates that in fiscal year (FY) 2014 we will receive an additional \$1,396,000 from other USDA appropriations. The funds will come to ERS as reimbursable agreements, which are contractual relationships whereby ERS provides a product or service to another USDA agency, and that agency, which is the recipient of the product or service, pays ERS. During FY 2014 the primary source of the reimbursable funding will be USDA's Food and Nutrition Service (FNS), which will provide \$1 million for research on "Putting Behavioral Economics to Work in School Lunch Rooms," and an additional \$200 thousand for follow-up research on child hunger research priorities. In addition, we estimate that USDA's Foreign Agricultural

Service (FAS) will provide \$175,000 for Emerging Markets research activities to be conducted in ERS' Market and Trade Economics Division. ERS also estimates \$6 thousand from NASS and \$15 thousand from the Office of the Chief Economist (OCE). The estimated funding from OCE will support the International Agricultural Trade Research Consortium (IATRC) to improve understanding of international trade, and the estimated funding from NASS will be for the National Opinion Research Center (NORC) Data Enclave.

### Agricultural Research Service

#### ARS Laboratory/Facility Closings/Consolidations

Mr. Aderholt: Please provide a description of all of the laboratories and facilities ARS is proposing to consolidate in its fiscal year 2014 budget request.

Response: A table providing a description of all of the laboratories and facilities ARS is proposing to close through consolidation in its fiscal year 2014 budget request is provided for the record.

[The information follows:]

<b>FY 2014 Proposed Location/Laboratory Closures and Consolidations</b>	
<b>Agricultural Research Service</b>	
<b>Location (Program Termination) Closure/Consolidation</b>	<b>FY 2013 Funding</b>
<b>Arkansas, Booneville *</b>	
Dale Bumpers Small Farms Research	\$1,961,000
<b>Maine, Orono</b>	
New England Plant, Soil and Water Research	1,118,000
<b>Maryland, Beltsville</b>	
Food Quality Research	4,328,000
<b>Michigan, East Lansing</b>	
Avian Disease and Oncology Research	3,633,000
<b>Missouri, Columbia</b>	
Biological Control of Insects Research	1,880,000
<b>Pennsylvania, Wyndmoor</b>	
Biobased and Other Animal Co-Products Research	4,076,000
<b>TOTAL</b>	<b>\$16,996,000</b>

\* Denotes Location Closure

## Redirection of Research Funds

Mr. Aderholt: Please provide a list of each research project that is proposed for redirection in the fiscal year 2014 budget request. Include the name of the current project and the name of the proposed project.

Response: A table providing each research project that is proposed for redirection in the fiscal year 2014 budget request, including current project name and proposed project, is provided for the record.

[The information follows:]



Food Safety Research (Continued)					
Albany, CA	Optimization Of The Nutritional, Functional, And Sensory Properties Of Raw And Processed Legumes, Grains, And Specialty Crops	-892,000	Albany, CA	Improve detection methods for crops at high risk of infestation	892,000
Albany, CA	Processing Technologies To Prevent Weight Gain And Obesity Related Metabolic Diseases	-893,000	Albany, CA	Improve detection methods for crops at high risk of infestation	893,000
Albany, CA	Improved Utilization Of Mg. Products Through Identification Of Nitrogen-Containing Bioactive	-893,000	Albany, CA	Improve detection methods for crops at high risk of infestation	893,000
New Orleans, LA	Palmyry And Secondary Prevention Of Peanut And Tree Nut Allergy	-519,000	New Orleans, LA	Improve detection methods for crops at high risk of infestation	519,000
New Orleans, LA	Reducing Astringency, Bitterness, And Undesirable Flavors Of Polyphenolic-Rich Fruit Juices And Functional Beverages	-1,139,000	New Orleans, LA	Improve detection methods for crops at high risk of infestation	1,139,000
New Orleans, LA	Engineering Enzymatic Redirection Of Natural Crop Oil Production To Industrial Oil Production	-1,664,000	New Orleans, LA	Improve detection methods for crops at high risk of infestation	1,664,000
East Lansing, MI (Avian Disease and Oncology Research/Laboratory Closure)		-3,633,000	Athens, GA	Develop Countermeasures and Alternatives to Antibiotics To Prevent/Treat Pathogens affecting Poultry and Emerging Diseases affecting Farm Animals	3,633,000
	Emerging Animal Diseases that Exist Offshore	-215,000		Develop Countermeasures and Alternatives to Antibiotics to Prevent/Treat Pathogens affecting Poultry and Emerging Diseases affecting Farm Animals	215,000
Stonerville, MS	Biting and Stinging Pests: Ecology and Biologically-Based Control (Univ of MS)	-273,000	Stonerville, MS	Develop Countermeasures and Alternatives to Antibiotics to Prevent/Treat Pathogens affecting Poultry and Emerging Diseases affecting Farm Animals	273,000
Washington, DC (United States National Arboretum)	Biologically Based Management Strategies for Control of Soil-	-250,000	Washington, DC (United States National Arboretum)	Reduce Damage Caused by Soilborne Pathogens and	250,000
Beltsville, MD	Integration of Biologically Based Technologies for Suppression of Soilborne Plant Pathogens	-545,000	Beltsville, MD	Mitigate Negative Impacts of Soilborne Pathogens and Pests on Crop Yield and Quality.	545,000
Beltsville, MD	Molecular Approaches to Understanding Host Resistance and Pathogen Variability for Improving Potato and Tomato Disease Management	-486,000	Beltsville, MD	Identify Novel Targets for Mitigation of Crop Yield and Quality Losses Due to Soilborne Pathogens	486,000
Parlier, CA	California Cropping Systems/Soil Health	-1,406,000	Parlier, CA	Reduce Losses in Crop Yield and Quality from Soilborne Pathogens and Pests.	1,406,000
Salinas, CA	Control of Pathogens in Strawberry and Vegetable Production Systems	-602,000	Salinas, CA	Reduce Negative Impacts of Soilborne Pathogens and Pests on Crop Yield and Quality.	602,000
Davis, CA	Integrated Strategies for Advance Management of Fruit, Nut and Oak Tree Diseases	-496,000	Davis, CA	Mitigate Negative Impacts of Soilborne Pathogens and Pests on Crop Yield and Quality.	496,000

FY 2014 Proposed Redirections Agricultural Research Service			
Current Project		Proposed Project	
<b>Research Soil Microbial Ecology and Develop Plant Disease Management Strategies (Continued)</b>			
Wenatchee, WA	-715,000	Wenatchee, WA	715,000
Biologically-based Systems for Soilborne Disease Control in Tree Fruit Agro-Ecosystems		Reduce Negative Impacts of Soilborne Pathogens and Pests on Crop Yield and Quality.	
Corvallis, OR	-609,000	Corvallis, OR	609,000
Biology and Management of Soilborne Diseases of Horticultural Crops		Reduce Losses in Crop Yield and Quality from Soilborne Pathogens and Pests.	
Corvallis, OR	-428,000	Corvallis, OR	428,000
Exotic, Emerging, Re-emerging, and Invasive Plant Diseases of Horticultural Crops		Mitigate Negative Impacts of Soilborne Pathogens and Pests on Crop Yield and Quality.	
Ft. Pierce, FL	-341,000	Ft. Pierce, FL	341,000
Vegetable Grafting for Resistance to Soilborne Diseases		Reduce Impacts of Soilborne Pathogens and Pests on Crop Yield and Quality	
Ft. Pierce, FL	-1,724,000	Ft. Pierce, FL	1,724,000
Vegetable and Floriculture Production/Soil Health		Mitigate Negative Impacts of Soilborne Pathogens and Pests on Crop Yield and Quality.	
<b>Enhance Control of Invasive Pests in the United States</b>			
Headquarters	-2,978,000	Headquarters	1,867,000
Atta-wide Management of Agricultural Pests		Strengthen Research to Develop Technologies to Protect Crops from Invasive Species	
Frederick MD		Strengthen the Nation's Capacity to protect Against New and Potential Pest Invasions	1,111,000
<b>Enhance Protection of Small Fruit and Nursery Crops/Plants/Wholesale/Wholesale from Diseases in the United States</b>			
Headquarters	-1,215,000	Corvallis, OR	1,215,000
Small Fruit and Nursery Research		Improve Disease Management of Small Fruits and Nursery Crops	
Headquarters	-1,454,000	Multiple Locations	
Potato Research		Improve Potato Production through Resistant Varieties and New Disease Management Techniques (\$1,454,000)	485,000
		Madison, WI	485,000
		Belleville, MO	484,000
		Aberdeen, ID	217,000
Headquarters	-217,000	Pullman, WA	
Wheat Stripe Rust Initiative		Improve Management of Stripe Rust of Wheat with Resistant Varieties	
<b>Enhance Fungal Disease Protection in Beans, Sunflowers, and Other Crops</b>			
Fargo, ND	-1,750,000	Fargo, ND	1,750,000
Sclerotinia diseases		Enhance Fungal Disease Protection in Beans, Sunflowers, and Other Crops	
<b>Enhance Human Nutrition in the United States</b>			
Belleville, MO (Food Quality Research/Laboratory Cluster)	-2,887,000	Belleville, MO (Human Nutrition Research Center)	2,887,000
		Enhance Nutrition Monitoring Capability by Adding Functionality to the Food Composition Database (\$1,887,000)	
		Enhance Nutrition Surveillance Capability to Link USDA/ARS Food Consumption Survey Data with Federal Dietary Policy Guidance (\$1,000,000)	
<b>Enhance Natural Resources and the Environment for Agriculture</b>			
Dawson, CA	-730,000	Dawson, CA	730,000
Develop and Transfer Irrigated and Non-Irrigated Peanut Management Technologies		Enhance the Quantity and Quality of Water Resources for Agriculture and Agriculture Dominated Landscapes	
Morris, MN	-777,000	Morris, MN	777,000
Multi-scale Evaluation of Land Use Management Systems in the Upper Midwest		Sustain Agricultural Production Capacity for Food and Energy Security and Ecosystem Services over Long Periods at Landscape Scales	

FY 2014 Proposed Redirections  
Agricultural Research Service

Current Project		Proposed Project	
Enhance Natural Resources and the Environment for Agriculture (Continued)			
Dawson, GA	-899,000	Dawson, GA	899,000
Sustaining Peanut Cropping Systems Competitiveness		Sustain Agricultural Production Capacity for Food and Energy Security and Ecosystem Services over Long Periods at Landscape Scales	
Mississippi State, MS	-1,212,000	Mississippi State, MS	1,212,000
Development of Precision Agriculture Systems in Cotton Production		Sustain Agricultural Production Capacity for Food and Energy Security and Ecosystem Services over Long Periods at Landscape Scales	
Morris, MN	-1,454,000	Morris, MN	1,454,000
Advancing Sustainable and Resilient Cropping Systems for the Short Growing Seasons and Cold, Wet Soils of the Upper Midwest		Adapt Agricultural Systems to Climate Variability and Weather Extremes	
Columbia, MO (Biological Control of Insects Research/Laboratory Closure)	-717,000	Columbia, MO	717,000
		Enhance the Quantity and Quality of Water Resources for Agriculture and Agriculture Dominated Landscapes	
Baltimore, MD (Food Quality Research/Laboratory Closure)	-1,441,000	Baltimore, MD (Hydrological and Watershed Research)	941,000
		Enhance the Quantity and Quality of Water Resources for Agriculture and Agriculture Dominated Landscapes	
Baltimore, MD (Crop Systems and Global Change Research)		Baltimore, MD (Crop Systems and Global Change Research)	500,000
Adapt Agricultural Systems to Climate Variability and Weather Extremes		Adapt Agricultural Systems to Climate Variability and Weather Extremes	
Boonville, AR (Dale Bumpers Small Farms Research/Location Closure)	-977,000	Temple, TX	977,000
		Enhance the Quantity and Quality of Water Resources for Agriculture and Agriculture Dominated Landscapes	
Headquarters		Ames, IA	104,000
Combined Water Quality Initiative	-104,000		
		Enhance the Quantity and Quality of Water Resources for Agriculture and Agriculture Dominated Landscapes	
Headquarters		Ames, IA	680,000
Air Quality Associated with Agricultural Operations (SGL)	-680,000	Sustain Agricultural Production Capacity for Food and Energy Security and Ecosystem Services over Long Periods at Landscape Scales	
		Adapt Agricultural Systems to Climate Variability and Weather Extremes	
Headquarters		Ames, IA	136,000
Global Climate Change	-136,000		
		Enhance the Quantity and Quality of Water Resources for Agriculture and Agriculture Dominated Landscapes (\$1,658,000)	
Bushland, TX		Boise, ID	323,000
Sustaining Rural Economies through New Water Management Technologies (Kansas State Univ/Texas A&M/Texas Tech Univ/West Texas A&M)	-1,658,000	Tifton, GA	522,000
		Albion, CO	522,000
		Tucson, AZ	91,000
Madison, WI		Madison, WI (Marshfield, WI)	162,000
Alternative Crop and Forage Production Systems for Improved Nutrient Management (Univ of WI)	-162,000	Enhance the Quantity and Quality of Water Resources for Agriculture and Agriculture Dominated Landscapes	

FY 2016 Proposed Restrictions			Current Project		Proposed Project
Agricultural Research Service			Ministry and Information Services - Establish Broad Infrastructure Capacity to Support Science, Management, and Dissemination of Large and Complex Environmental, Life Cycle Assessment, Genomics, Biologics, and Other Databases for Public Use		Provide Access to Sustainability and Environmental Data Sets for the Scientific Community
Baltimore, MD			Dominate Multiple Initiatives, Programs/Operations		Baltimore, MD
Peoria, IL			Novel Technologies For Producing Renewable Chemicals And Polymers From Carbohydrates Derived From Agricultural Feedstocks		Peoria, IL
Peoria, IL			Novel Technology For Renewable Resource Utilization		Peoria, IL
Peoria, IL			Modification Of Natural Polymers By Novel Processes		Peoria, IL
Peoria, IL			Bio-Based Lubricants From Farm-Based Raw Materials		Peoria, IL
Climate Change			Physiological And Genetic Basis Of Cotton Acclimation To Abiotic Stress		Maricopa, AZ
Lubbock, TX			Characterization And Enhancement Of Plant Resistance To Water-Deficit And Thermal Stresses		Lubbock, TX
Clay Center, NE			Characterizing And Managing Animal Stress/Well-Being In Livestock Production		Clay Center, NE
Maricopa, AZ			Enhancing Water Conservation And Crop Productivity In Irrigated Agriculture		Maricopa, AZ
Peuliar, CA			Developing Sustainable Cropping Systems To Improve Water Productivity And Protect Water And Soil Quality In Irrigated Agriculture		Peuliar, CA
Riverside, CA			Integrated Field Scale Management Systems For Use Of Degraded Waters		Riverside, CA
Peuliar, CA			Developing Sustainable Cropping Systems To Improve Water Productivity And Protect Water And Soil Quality In Irrigated Agriculture		Peuliar, CA
Oxford, MS			Preserving Water Quality And Availability For Agriculture In The Lower Mississippi River Basin		Oxford, MS

FY 2014 Proposed Modifications  
Agricultural Research Service

Current Project		Proposed Project	
<b>Climate Change (Continued)</b>			
St. Paul, MN		St. Paul, MN	500,000
Practices To Protect Water Quality And Conserve Soil And Water Resources In Agronomic And Horticultural Systems In The North Central US	-500,000	Increase the capacity to adapt agriculture to climate change by developing new and/or improved sensors and/or other water management technologies to increase agricultural water-use efficiency as an adaptation to the effects of drought.	
Bushland, TX		Bushland, TX	500,000
Improving Water Productivity And New Water Management Technologies To Sustain Rural Economies	-500,000	Increase the capacity to adapt agriculture to climate change by developing new and/or improved sensors and/or other water management technologies to increase agricultural water-use efficiency as an adaptation to the effects of drought.	
Maricopa, AZ		Maricopa, AZ	500,000
Enhancing Water Conservation And Crop Productivity In Irrigated Agriculture	-500,000	Increase the capacity to adapt agriculture to climate change by developing new and/or improved sensors and/or other water management technologies to increase agricultural water-use efficiency as an adaptation to the effects of drought.	
Stoneville, MS		Stoneville, MS	500,000
Development Of Water Management Technologies For The Mid-South	-500,000	Increase the capacity to adapt agriculture to climate change by developing new and/or improved sensors and/or other water management technologies to increase agricultural water-use efficiency as an adaptation to the effects of drought.	
Columbia, MO		Columbia, MO	500,000
Improving Irrigation Management For Humid And Sub-Humid Climates	-500,000	Increase the capacity to adapt agriculture to climate change by developing new and/or improved sensors and/or other water management technologies to increase agricultural water-use efficiency as an adaptation to the effects of drought.	
Florence, SC		Florence, SC	500,000
Managing Water Availability And Quality To Maintain Or Increase Agricultural Production, Conserve Natural Resources, And Enhance Environment	-500,000	Increase the capacity to adapt agriculture to climate change by developing new and/or improved sensors and/or other water management technologies to increase agricultural water-use efficiency as an adaptation to the effects of drought.	
<b>Wildlife Conservation and Environmental Data Activities</b>			
MD-Beltsville, MD		MD-Beltsville, MD	200,000
Downsize Multiple Initiatives, Programs/Operations	-200,000	Build a centralized repository of literature and data from existing and new research on wildlife and natural resources; to add context to the data through the depth historical knowledge can bring to the understanding of long-term datasets.	
Columbia, MO		Columbia, MO	200,000
Landscape-Based Crop Management For Food, Feed, And Bioenergy	-200,000	Build a linkage with field data collected using landscape-based crop management work (LCPM) to facilitate scaling up of data and analysis results to broader landscape and regional levels	

FY 2014 Proposed Redirections Agricultural Research Service			Current Project		Proposed Project	
Earth Observation and Environmental Data Activities (Continued)						
			Mandan, ND	-350,000	Mandan, ND	350,000
New Technologies To Enhance Sustainability Of Northern Great Plains Grasslands						
			MAL-Baltimore, MD	-800,000	MAL-Baltimore, MD	800,000
Downsize Multiple Initiatives, Programs/Operations						
			MAL-Baltimore, MD	-200,000	MAL-Baltimore, MD	200,000
Downsize Multiple Initiatives, Programs/Operations						
			Ft. Collins, CO	-865,000	Ft. Collins, CO	865,000
Spatial Modeling Of Agricultural Watersheds: Water And Nutrient Management And Targeted Conservation Effects At Field To Watershed Scales						
			Ames, IA	-485,000	Ames, IA	485,000
Management Of Agricultural And Natural Resource Systems To Reduce Atmospheric Emissions And Increase Resilience To Climate Change						
			Temple, TX	-400,000	Temple, TX	400,000
Grassland Productivity And Carbon Dynamics: Consequences Of Land-Use Change, Increased Fertilizer Use, And Plant Species Composition...						
			Ft. Collins, CO	-400,000	Ft. Collins, CO	400,000
Management Practices To Mitigate Global Climate Change, Enhance Bio-Energy Production, Increase Soil-C Stocks & Sustain Soil Productivity...						
			Lincoln, NE	-100,000	Lincoln, NE	100,000
Management Strategies For Meeting Agronomic, Environmental, And Societal Crop Production Demands						
Expand Research Capacity In Earth Sciences						
			Tucson, AZ	-500,000	Tucson, AZ	500,000
Ecophysiological Processes, Scale, Climate Variability, And Watershed Management						
			Ft. Collins, CO	-500,000	Ft. Collins, CO	500,000
Spatial Modeling Of Agricultural Watersheds: Water And Nutrient Management And Targeted Conservation Effects At Field To Watershed Scales						

FY 2014 Proposed Redirections Agricultural Research Service			Proposed Project		
Expand Research Capacity In Earth Sciences (Continued)			Current Project		
El Reno, OK	Adapting Soil And Water Conservation To Meet The Challenges Of A Changing Climate	-500,000	El Reno, OK	Develop and/or improve remote sensing techniques and associated modeling tools to enhance drought detection and monitoring over large geographic areas; develop predictive drought models; improve large-scale estimation of key components.	500,000
Boise, ID	Understanding Snow And Hydrologic Processes In Mountainous Terrain With A Changing Climate	-500,000	Boise, ID	Develop and/or improve remote sensing techniques and associated modeling tools to enhance drought detection and monitoring over large geographic areas; develop predictive drought models; improve large-scale estimation of key components. <td>500,000</td>	500,000
Beltsville, MD	Leveraging Remote Sensing, Land Surface Modeling And Ground-Based Observations... Variables Within Heterogeneous Agricultural Landscapes	-1,000,000	Beltsville, MD	Develop remote sensing and modeling technologies that enable detection and monitoring of agroecosystem changes caused by variable weather and climate trends. <td>1,000,000</td>	1,000,000
Beltsville, MD	Leveraging Remote Sensing, Land Surface Modeling And Ground-Based Observations... Variables Within Heterogeneous Agricultural Landscapes	-1,000,000	Beltsville, MD	Develop tools using products from current and expected future earth observation systems that provide information on domestic and foreign agricultural production status and trends to enhance the security and vitality of U.S. <td>1,000,000</td>	1,000,000
Tucson, AZ	Ecophysiological Processes, Scale, Climate Variability, And Watershed Management	-100,000	Tucson, AZ	Using Long-Term Agro-Ecosystem Research (LTAR) network infrastructure as a platform for testing the improved production efficiency and sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides. <td>100,000</td>	100,000
Tifton, GA	Enhancing Environmental Quality And Ecosystem Services In Southeastern U.S. Coastal Plain Agricultural Watersheds	-100,000	Tifton, GA	Using Long-Term Agro-Ecosystem Research (LTAR) network infrastructure as a platform for testing the improved production efficiency and sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides. <td>100,000</td>	100,000
Ames, IA	Managing Agricultural Water Quality In Fields And Watersheds: New Practices And Technologies	-100,000	Ames, IA	Using Long-Term Agro-Ecosystem Research (LTAR) network infrastructure as a platform for testing the improved production efficiency and sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides. <td>100,000</td>	100,000
Columbia, MO	Improving Water Quality In Agricultural Watersheds Underlain By Claypan And Restrictive Layer Soils	-100,000	Columbia, MO	Using Long-Term Agro-Ecosystem Research (LTAR) network infrastructure as a platform for testing the improved production efficiency and sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides. <td>100,000</td>	100,000
Las Cruces, NM	Management Technologies For Conservation Of Western Rangelands	-100,000	Las Cruces, NM	Using Long-Term Agro-Ecosystem Research (LTAR) network infrastructure as a platform for testing the improved production efficiency and sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides. <td>100,000</td>	100,000

FY 2014 Proposed Redirections  
Agricultural Research Service

Current Project		Proposed Project	
Expand Research Capacity in Earth Sciences (Continued)			
Integrated Agricultural Systems For The Northern Great Plains Mandan, ND	-100,000	Mandan, ND	100,000
		Using Long-Term Agro-Ecosystem Research (LTER) network infrastructure as a platform for testing the sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides.	
El Reno, OK	-100,000	El Reno, OK	100,000
Agricultural Land Management To Optimize Productivity And Natural Resource Conservation At Farm And Watershed Scales		Using Long-Term Agro-Ecosystem Research (LTER) network infrastructure as a platform for testing the sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides.	
University Park, PA	-100,000	University Park, PA	100,000
Management And Conservation Practices To Improve Water Quality In Agrosystems Of The Northeastern US		Using Long-Term Agro-Ecosystem Research (LTER) network infrastructure as a platform for testing the sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides.	
University Park, PA	-100,000	University Park, PA	100,000
Managing Farms For Environmental Stewardship And Profit		Using Long-Term Agro-Ecosystem Research (LTER) network infrastructure as a platform for testing the sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides.	
Pullman, WA	-100,000	Pullman, WA	100,000
Increasing Inland Pacific Northwest Wheat Production Profitability		Using Long-Term Agro-Ecosystem Research (LTER) network infrastructure as a platform for testing the sustainability of newly developed crops that have reduced requirements for water, nutrients, and/or pesticides.	
Improve Agricultural Sustainability			
Auburn, AL	-604,000	Auburn, AL	604,000
Nutrition And Feed Development For Warm Water Aquaculture		Determine the effect of nutrients and materials on growth, feed efficiency, disease resistance, palatability, stress and immune response, and disease resistance in aquaculture.	
Stuttgart, AR	-2,640,000	Stuttgart, AR	2,640,000
Response Of Diverse Rice Genotypes To Biotic And Abiotic Stresses		Develop crops that use minimal inputs such as water, nutrients and pesticides to improve production efficiency	
Marysville, WA	-347,000	Marysville, WA	347,000
Characterization, Conversion, And Improvement Of Common Bean Genotype		Develop crops that use minimal inputs such as water, nutrients and pesticides to improve production efficiency	
Ft. Collins, CO	-250,000	Ft. Collins, CO	250,000
Management Practices To Mitigate Global Climate Change, Enhance Bio-Energy Production, Increase Soil-C Stocks & Sustain Soil Productivity		Develop fertilizer strategies for sustained biomass production using new fertilizer and organic materials for their effect on yields, reduced input costs, and enhanced environmental quality	



## Big Data Initiative

Mr. Aderholt: Please provide additional information on the Office of Science and Technology Policy's "big data" initiative. How does it affect ARS programs and personnel? What are its goals and objectives? How did ARS decide that \$37 million is the appropriate amount to invest in the initiative?

Response: ARS conducts many research activities that result in the building of large and complex data sets. These data sets have value to both the researchers who created them and to the broader research community who may be able to "mine" them for novel information that was not associated with the original intent of the creation of the data set. Two examples of these types of data sets are genetic sequence data from all forms of life from microbes to plants to livestock and environmental data including earth observation data from remote sensing.

The ability to use the data sets and to share them with other researchers requires investments in expertise for the management and interpretation of "Big Data". ARS plans to invest in informaticists who will be parts of research teams working with "Big Data" and will facilitate the interpretation and sharing of these complex data sets. ARS will enhance research that relies heavily on "Big Data" to solve problems relating to crop yields, feed efficiency of livestock, erosion, and climate adaptation. ARS will develop models for agriculture that will enhance profitability and environmentally sound farming practices. The use of "Big Data" will also be facilitated by initial investments in agency bandwidth for computing.

## Research Projects Terminated

Mr. Aderholt: Please update the list from the fiscal year 2013 hearing record of all research projects terminated in fiscal years 2010 and 2011 to include 2012.

Response: There were six research projects terminated in FY 2010 for a total of \$2,764,000. Those projects were as follows: Animal Health Consortium (\$820,000 at Headquarters); Arbuscular Mycorrhizal Fungi (\$42,000 at Wyndmoor, Pennsylvania); Sorghum Research (\$452,000 at Bushland, Texas); Vaccines and Microbe Control for Fish Health (\$991,000 at Auburn, Alabama); Vector-Borne Diseases (\$205,000 at Gainesville, Florida); and West Tennessee Mississippi River Cropping Systems Unit (\$254,000 at Jackson, Tennessee, which is a worksite of Stoneville, Mississippi).

In FY 2011, 46 research projects were terminated for a total of \$44,138,000. Those projects were as follows: Animal Vaccines (\$1,518,000 at Greenport, New York); Aquaculture Fisheries Center (\$519,000 at Stuttgart, Arkansas); Aquaculture Initiatives, Harbor Branch Oceanographic Institute (\$1,597,000 at Stuttgart, Arkansas); Arthropod-Borne Animal Diseases Research Laboratory (\$1,500,000 at Manhattan, Kansas); Biomass Crop Production (\$1,250,000 at Brookings, South Dakota); Biomedical Materials in Plants (\$1,700,000 at Beltsville, Maryland); Bioremediation Research (\$111,000 at Beltsville, Maryland); Biotechnology Research and Development Center (\$3,500,000 at Headquarters); Catfish Genome (\$819,000 at Auburn, Alabama); Cereal Disease Research (\$290,000 at St. Paul, Minnesota); Computer Vision Engineer (\$400,000 at Kearneysville, West Virginia); Crop Production and Food Processing (\$786,000 at Peoria, Illinois); Dairy Forage Research Center

(\$2,500,000 at the Marshfield, Wisconsin worksite of Madison, Wisconsin); Center for Agroforestry (\$660,000 at Booneville, Arkansas); Dale Bumpers Small Farms Research Center (\$1,805,000 at Booneville, Arkansas); Diet Nutrition and Obesity Research (\$623,000 at New Orleans, Louisiana); Endophyte Research (\$994,000 at Booneville, Arkansas); Forage Crop Stress Tolerance and Virus Disease Management (\$200,000 at Prosser, Washington); Formosan Subterranean Termites Research (\$3,490,000 at New Orleans, Louisiana); Foundry Sand By-Products Utilization (\$638,000 at Beltsville, Maryland); Human Nutrition Research (\$350,000 at Boston, Massachusetts); Human Nutrition Research (\$350,000 at Houston, Texas); Human Nutrition Research, Kannapolis, North Carolina (\$1,000,000 at Headquarters); Improved Crop Production Practices (\$1,293,000 at Auburn, Alabama); Livestock-Crop Rotation Management (\$349,000 at University Park, Pennsylvania); Lyme Disease, 4 Poster Project (\$700,000 at Headquarters); Medicinal and Bioactive Crops (\$111,000 at Washington, DC); Mosquito Trapping Research/West Nile Virus (\$1,454,000 at Gainesville, Florida); National Bio and Agro Defense Facility (\$1,500,000 at Manhattan, Kansas); National Center for Agricultural Law, NAL (\$654,000 at Beltsville, Maryland); National Corn to Ethanol Research Pilot Plant (\$360,000 at Headquarters); Northern Great Plains Research Laboratory (\$543,000 at Mandan, North Dakota); Northwest Center for Small Fruits (\$275,000 at Headquarters); Pacific Basin Agricultural Research Center Staffing (\$700,000 at Hilo, Hawaii); Phytoestrogen Research (\$1,750,000 at New Orleans, Louisiana); Potato Diseases Research (\$61,000 at Beltsville, Maryland); Poultry Diseases Research (\$408,000 at Beltsville, Maryland); Seismic and Acoustic Technologies in Soils Sedimentation Laboratory (\$332,000 at Oxford, Mississippi); Sorghum Research (\$135,000 at Little Rock, Arkansas); Soybean Genomics (\$200,000 in St. Paul, Minnesota); Subtropical Beef Germplasm (\$1,033,000 at Brooksville, Florida); Termite Species in Hawaii (\$200,000 at New Orleans, Louisiana); Tropical Aquaculture Feeds (Oceanic Institute; \$1,438,000 at Hilo, Hawaii); Water Management Research (\$340,000 at Brawley, California); Water Use Reduction (\$1,200,000 at Dawson, Georgia); and Wild Rice (\$303,000 at St. Paul, Minnesota).

In FY 2012, 27 research projects, for a total of \$38,583,000 were terminated due to location closures. Those projects were as follows: Arctic and Subarctic Plant Genetic Resources Conservation, Research, and Information Management (\$1,048,000 at Fairbanks, Alaska); Integrated Pest Management for High Latitude Agriculture (\$2,642,000 at Fairbanks, Alaska); Alaska Fish Processing Byproducts (\$2,382,000 at Fairbanks, Alaska); Integrated Management of Cotton Pests: Plant Genetics, Biological Control, and Novel Methods of Pest Estimation (\$1,617,000 at Shafter, California); Optimizing Forage-Based Cow-Calf Operations to Improve Sustainability of Beef Cattle Agriculture and Water (\$610,000 at Brooksville, Florida); Identification and Utilization of Mechanisms Responsible for the Adaptation of Cattle to Stressors of the Subtropics (\$779,000 at Brooksville, Florida); Soil Organic Matter and Nutrient Cycling to Sustain Agriculture in the Southeastern USA (\$597,000 at Watkinsville, Georgia); Survival and Transport of Pathogens from Animal Production Systems within Landscapes of the Southeastern USA (\$579,000 at Watkinsville, Georgia); Improving Crop and Animal Production Systems for Southern Producers (\$1,779,000 at Watkinsville, Georgia); Termites: Biology, Risk Assessment and Surveillance of Invasive Species (\$2,019,000 at New Orleans, Louisiana); Termites: Chemical and Biological Control for Integrated Pest Management of Invasive Species (\$1,168,000 at New Orleans, Louisiana); Effectiveness of Watershed Land-Management Practices to Improve Water Quality (\$1,390,000 at Coshocton, Ohio); Organic and Reduced Input Fresh Market Specialty Crop Production Systems for the Southern Great Plains (\$834,000 at Lane, Oklahoma); Physiological and Genetic Basis of Postharvest Quality,

Disease Control, and Phytonutrient Content of Watermelons (\$1,346,000 at Lane, Oklahoma); Enhanced Cotton Quality through Measurement and Processing Research (\$2,618,000 at Clemson, South Carolina); Development of Quarantine Alternatives for Subtropical Fruit and Vegetable Pests (\$1,660,000 at Weslaco, Texas); Enhancement of Postharvest Quality of Fruits and Vegetables and Evaluation of Commodity Treatments of Quarantined Pests (\$532,000 at Weslaco, Texas); Field Trials to Develop Data on Crop Protection Chemicals for Vegetable and Specialty Crops (\$181,000 at Weslaco, Texas); Using Remote Sensing and GIS for Detecting and Mapping Invasive Weeds in Riparian and Wetland Ecosystems (\$1,194,000 at Weslaco, Texas); Integrated Water, Nutrient and Pest Management Strategies for Subtropical Crops (\$2,115,000 at Weslaco, Texas); Biological Control Strategies for Invasive Weeds of Southwestern U.S. Watersheds (\$1,099,000 at Weslaco, Texas); IPM Strategies for Managing Pests of Subtropical Row Crops (\$829,000 at Weslaco, Texas); Biological Control of Invasive Pests of Orchard and Vegetable Crops in the Subtropical South (\$1,369,000 at Weslaco, Texas); Constructing Soils for Sustainable Agricultural, Recreational, and Developed Environments (\$1,780,000 at Beaver, West Virginia); Economic Pasture-Based Beef Systems for Appalachia (\$2,173,000 at Beaver, West Virginia); Forage Management Systems for Small-Scale Ruminant Production in the Appalachian Region (\$2,517,000 at Beaver, West Virginia); and Non-Traditional Plant Resources for Grazing Ruminants in Appalachia (\$1,726,000 at Beaver, West Virginia).

#### Extramural Activities Terminated

Mr. Aderholt: Please update the list from the fiscal year 2013 hearing record of all extramural activities terminated in fiscal years 2010 and 2011 to include 2012.

Response: One extramural agreement was terminated in FY 2010. This agreement was a specific cooperative agreement with the Biotechnology Research and Development Center in the amount of \$738,000 funded from the Animal Health Consortium at Headquarters. Twenty-two research projects were terminated in FY 2011 that included extramural research. Four research projects that included extramural research were terminated in FY 2012 due to location closures. Extramural agreements associated with these research projects and location closures are provided for the record.

[The information follows:]

## EXTRAMURAL ACTIVITIES TERMINATED IN FY 2011

Research Title	Cooperator	Extramural Amount
Animal Vaccines, Greenport, NY	UNIV. OF CT	\$486,296
	UNIV. OF MO	486,295
Aquaculture Fisheries Center, Stuttgart, AR	UNIV. OF AR, PINE BLUFF	341,470
Aquaculture Initiatives, Harbor Branch Oceanographic Institute, Stuttgart, AR	FLORIDA ATLANTIC UNIV., HARBOR BRANCH	436,710
Biomass Crop Production, Brookings, SD	SD STATE UNIV	277,577
	MBI INTERNATIONAL	203,000
Biotechnology Research and Development Center, Headquarters	BRDC	3,150,000
Crop Production and Food Processing, Peoria, IL	UNIV. OF IL	148,717
	PURDUE UNIV.	148,717
Center for Agroforestry, Booneville, AR, and Dale Bumpers Small Farms Research Center, Booneville, AR	UNIV. OF MO	1,550,000
Diet Nutrition and Obesity Research, New Orleans, LA	LOUISIANA STATE UNIV.	253,499
Endophyte Research, Booneville, AR	UNIV. OF AR	263,770
	UNIV. OF MO	268,675
	OR STATE UNIV.	268,675
Formosan Subterranean Termites Research, New Orleans, LA	NO MOSQUITO/TERMITE BRD	325,074
	UNIV. OF HI	131,136
	LOUISIANA STATE UNIV.	1,361,940
	UNIV. OF MS	50,000
	UNIV. OF FL	131,136
	TEXAS A&M UNIV.	131,136
	LOUISIANA STATE UNIV.	150,000
	THE AUDUBON INSTITUTE	151,136
Improved Crop Production Practices, Auburn, AL	LOUISIANA STATE UNIV.	50,000
	ALABAMA A&M	34,341
	AUBURN UNIV.	528,700
	TUSKEGEE UNIV.	34,341
Lyme Disease, 4 Poster Project, Headquarters	YALE UNIV.	565,853
Mosquito Trapping Research/West Nile Virus, Gainesville, FL	CT AG. EXPT. STATION	604,300
National Bio and Agro Defense Facility, Manhattan, KS	KANSAS STATE UNIVERSITY	400,000
National Center for Agricultural Law, NAL, Beltsville, MD	UNIV. OF AR (School of Law)	576,828

## EXTRAMURAL ACTIVITIES TERMINATED IN FY 2011

Research Title	Cooperator	Extramural Amount
National Corn to Ethanol Research Pilot Plant, Headquarters	SOUTHERN ILLINOIS UNIV.	312,195
Northern Great Plains Research Laboratory, Mandan, ND	ND STATE UNIV. - HETTINGER	50,000
Phytoestrogen Research, New Orleans, LA	TULANE UNIV. UNIV. OF TOLEDO	634,907 482,207
Termite Species in Hawaii, New Orleans, LA	UNIV. OF HI	175,500
Tropical Aquaculture Feeds (Oceanic Institute), Hilo, HI	OCEANIC INSTITUTE UNIV. OF MN, NORTH CENTRAL RESEARCH & OUTREACH CENTER	921,171 155,000
<b>TOTAL</b>		<b>16,240,302</b>

## EXTRAMURAL ACTIVITIES TERMINATED IN FY 2012

Research Title	Cooperator	Extramural Amount
Appalachian Pasture Beef System, Beaver, WV	CLEMSON UNIV. WV UNIV. VA POLY INSTI & STATE U.	\$160,548 534,797 534,797
Aquaculture - Alaska/Seafood Waste, Fairbanks, AK	UNIV. OF AK	895,643
Seasonal Grazing, Coshocton, OH	OHIO STATE UNIV.	3,000
Virus-Free Potato Germplasm, Palmer, AK (worksite of Fairbanks)	UNIV. OF AK	250,000
<b>TOTAL</b>		<b>2,378,785</b>

## New Research Projects

Mr. Aderholt: Please update the list from the fiscal year 2013 hearing record of all research projects started in fiscal years 2010 and 2011 to include 2012. Also describe new projects proposed for fiscal year 2013 and 2014.

Response: There were ten research projects started in FY 2010. Those projects were: Arthropod-Borne Animal Diseases Research Laboratory (\$1,500,000 at Manhattan, Kansas); Computer Vision Engineer (\$400,000 at Kearneysville, West Virginia); Dairy Forage Research Center (\$2,500,000 at the Marshfield, Wisconsin worksite of Madison, Wisconsin); Forage Crop Stress Tolerance and Virus Disease Management (\$200,000 at Prosser, Washington); Human Nutrition Research, Kannapolis, North Carolina (\$1,000,000 at Headquarters); Livestock-Crop Rotation Management (\$349,000 at University Park, Pennsylvania); National Bio and Agro Defense Facility (\$1,500,000 at Manhattan, Kansas); Pacific Basin Agricultural Research Center Staffing (\$700,000 at Hilo, Hawaii); Soybean Genomics (\$200,000 at St. Paul, Minnesota); and Subtropical Beef Germplasm (\$1,033,000 at Brooksville, Florida). However, these projects were terminated in accordance with P.L. 112-6. No new research projects have been started in FY 2011, 2012, and 2013.

The fiscal year 2014 budget includes a request for additional funding for the following high priority program initiatives: Bioenergy; Improving Crop and Animal Production and Health; Improving Food Safety and Security; Human Nutrition; Agricultural Sustainability; Adapting to the Effects of Climate Change; Earth Observation and Environmental Data Activities; and the National Agricultural Library.

## Active Extramural Programs

Mr. Aderholt: Please provide a list of all extramural programs and projects that were active in fiscal years 2010, 2011, and 2012. Were any extramural programs or projects started in fiscal year 2013?

Response: A list of all active extramural projects in FYs 2010, 2011 and 2012 are provided for the record. A list of all extramural projects and funding started in fiscal year 2013 cannot be provided until after the close of the fiscal year.

[The information follows:]

## Agricultural Research Service

FY 2010 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
ABILENE CHRISTIAN UNIVERSITY	\$5,000
AFRICAN INSECT SCI FOOD HEALTH	70,000
AGRICULTURAL RESEARCH COUNCIL	33,000
AGRICULTURE CANADA	42,900
AGRICULTURE DEVLPMNT GROUP, INC	27,632
AKWESASNE TASK FORCE/ENVIRONMENT	5,000
ALABAMA AGRI & MECH COLLEGE	70,341
ALCORN STATE UNIVERSITY	305,000
ALFRED STATE COLLEGE	132,000
AMERICAN ASSOCIATION OF BOTANICAL GARDENS & ABORETA	33,171
AMERICAN CHEMICAL SOCIETY	3,400
AMERICAN COAL ASH ASSOC. (ACAA)	2,000
AMERICAN COUNCIL FOOD SAFE & QUAL	18,000
AMERICAN INDIAN SCI & ENG SOCIETY	5,000
AMERICAN PHYTOPATHOLOGICAL SOCIETY	33,000
AMERICAN SOCIETY FOR NUTRITION	4,000
APPLIED BIOMICS, INC.	16,188
ARKANSAS CHILDREN'S HOSPITAL	6,922,550
ARKANSAS STATE UNIVERSITY	460,000
AUBURN UNIVERSITY	971,747
ARIZONA COTTON RES & PROTECTION COUNCIL	53,271
ASSOCIATION OF ANALYTICAL COMMUNITIES (AOAC) INTERNATIONAL	2,000
AZERBAIJAN NATL ACADEMY SCIENCES	12,340
BARD - BINATL AG RES DEVELP	5,000
BARRY LAVINE	5,000
BAYLOR COLLEGE OF MEDICINE	10,394,971
BEET SUGAR DEV FOUNDATION	16,050
BIOTECH & BIOLOG CONTROL AGENCY	191,900
BIOTECHNOLOGY FOUNDATION, INC.	97,561
BIOTECHNOLOGY RES & DEVELOP CNTR	3,150,000
BIOVERSITY INTERNATIONAL	90,679
BLUEWAVE MICROBICS, LLC	50,000
BOYCE THOMPSON INSTITUTE	226,000
BOYS, GIRLS, ADULTS COM. CTR	102,500
BRANDEIS UNIVERSITY	108,363
BRENT LARSON (FARMER)	4,000
CAMARA PARAGUAYA DE EXPORTADORES Y COMERCIALIZADORES DE CEREALES Y OLEAGINOSAS (CAPECO)	180,000
CARRINGTON AGRIC EXPT STATION	67,439
CENTRE FOR AGRICULTURAL BIOSCIENCE INTERNATIONAL (CABI)	10,000

## Agricultural Research Service

FY 2010 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
CENTRO AGRONOMICO TROPICAL DE INVESTIGACION Y ENSEÑANZA	80,000
CHINESE ACADEMY OF AGRI SCIENCES	95,506
CHUNG-ANG UNIVERSITY	20,000
CLASSIC CALADIUMS	12,000
CLEAR SPRING FOODS, INC.	30,000
CLEMSON UNIVERSITY	290,814
COLD SPRING HARBOR LABORATORY	113,436
COLORADO STATE UNIVERSITY	494,323
COLUMBIA BASIN COLLEGE	10,000
COLUMBIA UNIVERSITY	146,341
COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION (CSIRO)	759,628
CONCELLAE, AB	10,000
CONNECTICUT AGRICULTURAL EXPERIM. STATION	833,568
CORNELL UNIVERSITY	2,552,567
COUNCIL FOR AGRIC SCI & TECH	20,000
CRYSTAL RIVER	20,000
DARREL M. TEMPLE	37,700
DEKALB COUNTY SOIL & WATER CONSERVATION DISTRICT	35,000
DELTA HEALTH ALLIANCE	25,000
DREXEL UNIVERSITY	10,000
EARLINE STRICKLAND	75,000
EMPIRE PROTOTYPE & PROD DEVEL	27,912
ENVIRONMENTAL RESOURCE COALITION	80,000
FARM FOUNDATION	7,000
FED ASIAN PACIFIC AMER CNCL	25,000
FEDERAL UNIV SANTA MARIA	35,000
FEDERATION OF AMERICAN SOCIETIES FOR EXPERIMENTAL BIOLOGY (FASEB)	5,000
FLORIDA AGRI & MECH UNIVERSITY	44,000
FLORIDA ATLANTIC UNIVERSITY	436,710
FRENCH NATIONAL INSTITUTE FOR AGRICULTURAL RESEARCH (INRA) ANIMAL GENETICS DIVISION	5,000
FUNDACAO PAU BRASIL (FUNPAB)	25,000
GEISINGER CENTER	169,344
GEORGE MASON UNIVERSITY	70,000
GEOSYSTEMS RESEARCH INSTITUTE	5,000
GYEONGSANG NAT UNIV	40,000
HAWAII AGRIC RES CNTR	567,575
HONDURAN FOUNDATION FOR AG RES.	7,000

## Agricultural Research Service

FY 2010 EXTRAMURAL PROJECTS

Cooperator	Extramural Amount
IICA	3,000
ILIA CHAVCHAVADZE ST UNIV	2,000
IMPERIAL VALLEY CONS RES CTR COM	180,820
INDIANA UNIVERISTY	63,631
INST NACIONAL INVST TCNL..(INIA)	39,000
INSTITUTO DE CULTIVOS TROPICALES	117,000
INSTITUTO NACIONAL AUTÓNOMO DE INVESTIGACIONES AGROPECUARIAS (INIAP)	47,000
INSTITUTO NACIONAL DE INVESTIGACIONES FORESTALES, AGRICOLAS Y PECUARIAS (INIFAP)	6,000
INSTITUTO UNIEMP	35,200
INTERNATIONAL MAIZE AND WHEAT IMPROVEMENT CENTER (CIMMYT)	173,249
INTERNATIONAL POTATO CENTER	4,500
INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE	79,500
IOWA STATE UNIVERSITY	413,585
J. CRAIG VENTER INSTITUTE, INC.	149,905
JOHNS HOPKINS UNIVERSITY	858,657
KANSAS STATE UNIVERSITY	2,202,406
KEARNEY HORT STATION	65,000
KYRGYZ NATL AGRARIAN UNIV	17,490
LOUISIANA STATE UNIV. AG. CENTER	1,876,439
LOUISIANA STATE UNIVERSITY	132,550
MARSHFIELD CLINIC RES FNDTION	16,000
MATERIALS RESEARCH SOCIETY	5,300
MBI INTERNATIONAL	203,000
MEDSTAR HEALTH RES INST	110,000
METHYL BROMIDE ALTERN. OUTREACH	20,000
MIAMI UNIVERSITY	75,000
MICHAEL FIELDS AGRICULTURAL INST	156,562
MICHIGAN STATE UNIVERSITY	833,726
MID-FLORIDA RESEARCH & EDUCATION	147,317
MILWAUKEE PUBLIC MUSEUM	60,500
MISSISSIPPI AGRI & FORESTRY EXP STATION	6,104,715
MISSISSIPPI STATE UNIVERSITY	2,096,728
MISSISSIPPI VALLEY STATE UNIV	11,276
MISSOURI BOTANICAL GARDEN	30,000
MONTANA STATE UNIVERSITY	41,914
MONTCROFT FARMS	5,000
MOUNTAIN STATE UNIVERSITY	46,100
N. AMER POLLINATOR PROTECT CAMP.	12,927

## Agricultural Research Service

FY 2010 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
NASA GODDARD SPACE FLIGHT CENTER	30,000
NATIONAL CNTR FOR GENOME RESOURC	1,030,900
NATIONAL CNTR VET DIAGNOSTICS	39,000
NATIONAL COTTON COUNCIL	231,707
NATIONAL GENE BANK OF MOROCCO	4,000
NATL TURFGRASS EVAL PROG., INC.	8,000
NEW MEXICO STATE UNIVERSITY	521,348
NEW ORLEANS MOSQUITO, TERMITE AND RODENT CONTROL BOARD	325,074
NORTH CAROLINA A&T STATE UNIVER.	2,000
NORTH CAROLINA AGRICULTURAL EX ST	73,171
NORTH CAROLINA STATE UNIVERSITY	1,227,982
NORTH DAKOTA STATE UNIVERSITY	2,328,584
NORTHERN ILLINOIS UNIVERSITY	35,000
NTL NUTR DATABANK CONF STEER COM	5,000
OHIO STATE UNIVERSITY	607,088
OKLAHOMA STATE UNIVERSITY	427,909
OKLAHOMA WATER RESOURCES BOARD	78,100
OREGON STATE UNIVERSITY	1,777,692
PEERBOLT CROP MANAGEMENT	30,254
PENNINGTON BIOMEDICAL RES CENTER	405,000
PENNSYLVANIA STATE UNIVERSITY	665,172
PRACTICAL FARMERS OF IOWA	42,757
PUNJAB AGRICULTURAL UNIVERSITY	40,000
PURDUE UNIVERSITY	2,048,786
REESE CONSULTING, LTD	18,000
ROBERT A. LEFLAR LAW CENTER	576,828
RODALE INSTITUTE RESEARCH CENTER	248,219
ROTHAMSTED EXPERIMENTAL STATION	5,000
RUTGERS AGRI RES & EXTENSION CTR	667,734
RUTGERS UNIVERSITY	116,485
SE LOUISIANA UNIVERSITY	11,700
SERVICE SPECIALIST, LTD	400,000
SIMON FRASER UNIVERSITY	15,000
SMITH HELICOPTERS, INC	5,000
SOCIETY FOR RANGE MGMT	30,000
SOIL & WATER CONSERVATION SOCIETY	7,500
SOUTH DAKOTA STATE UNIVERSITY	621,898
SOUTHERN ILLINOIS UNIVERSITY	328,195
SOUTHERN UNIV & A&M COLLEGE	375,000
SPECTIR, LLC	20,000

## Agricultural Research Service

FY 2010 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
STUDENT CONSERVATION ASSOCIATION	20,000
SULLIVAN ENVIR CONSULT, INC	73,000
TEL AVIV UNIVERSITY	9,000
TENNESSEE STATE UNIVERSITY	454,077
TENNESSEE TECHNOLOGICAL UNIV	10,800
TETRACAM COMPANY, INC.	5,000
TEXAS A&M UNIVERSITY	1,065,373
TEXAS AGRILIFE RES & EXT CNTR	102,707
TEXAS CHRISTIAN UNIVERSITY	20,000
TEXAS STATE UNIVERSITY	5,300
TEXAS TECH UNIVERSITY	403,452
THE AUDUBON INSTITUTE	151,136
THE CONSERVATION FUND	1,610,005
THE INSTITUTE FOR ANIMAL HEALTH	5,000
THE MORTON ARBORETUM	20,240
THE OCEANIC INST - MAKAPUU POINT	921,171
TRUMAN STATE UNIVERSITY	9,756
TUFTS UNIVERSITY	6,696,165
TULANE UNIVERSITY	634,907
TUSKEGEE UNIVERSITY	34,341
U.S. CIVILIAN RES & DEVEL FNDTN	14,000
UNIV. SCI & TECH OF CHINA	15,000
UNIVERSITY OF ALABAMA	55,000
UNIVERSITY OF ALASKA	1,087,256
UNIVERSITY OF ARIZONA	442,557
UNIVERSITY OF ARKANSAS	988,509
UNIVERSITY OF CALGARY	22,000
UNIVERSITY OF CALIFORNIA	3,763,539
UNIVERSITY OF CALIFORNIA COOP EXT - MERCED	40,015
UNIVERSITY OF CONNECTICUT	1,559,943
UNIVERSITY OF DELAWARE	211,390
UNIVERSITY OF FLORIDA	719,459
UNIVERSITY OF GEORGIA	348,691
UNIVERSITY OF HAWAII	1,868,544
UNIVERSITY OF IDAHO	737,718
UNIVERSITY OF ILLINOIS	1,473,798
UNIVERSITY OF IOWA	40,000
UNIVERSITY OF KENTUCKY	1,044,833
UNIVERSITY OF KENTUCKY RES FND	5,122
UNIVERSITY OF MARYLAND	1,238,755

## Agricultural Research Service

FY 2010 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
UNIVERSITY OF MARYLAND EASTERN SHORE	7,000
UNIVERSITY OF MASSACHUSETTS	2,500
UNIVERSITY OF MINNESOTA	1,244,361
UNIVERSITY OF MISSISSIPPI	4,808,772
UNIVERSITY OF MISSOURI	2,681,201
UNIVERSITY OF NEBRASKA	1,582,975
UNIVERSITY OF NEVADA	106,360
UNIVERSITY OF NORTH CAROLINA	9,600
UNIVERSITY OF NORTH DAKOTA	2,725,000
UNIVERSITY OF NORTH TEXAS	82,593
UNIVERSITY OF OKLAHOMA	25,000
UNIVERSITY OF OREGON	15,000
UNIVERSITY OF PENNSYLVANIA	38,680
UNIVERSITY OF PITTSBURGH	10,000
UNIVERSITY OF PUERTO RICO (MAYAGUEZ)	35,987
UNIVERSITY OF READING	122,500
UNIVERSITY OF RHODE ISLAND	106,680
UNIVERSITY OF SASKATCHEWAN	7,000
UNIVERSITY OF SOUTHERN MISSISSIPPI	100,000
UNIVERSITY OF TENNESSEE	712,657
UNIVERSITY OF TEXAS MEDICAL BRANCH	25,199
UNIVERSITY OF TOLEDO	810,494
UNIVERSITY OF VERMONT	54,500
UNIVERSITY OF WASHINGTON	332,205
UNIVERSITY OF WEST INDIES	40,000
UNIVERSITY OF WISCONSIN	1,757,097
UNIVERSITY OF WYOMING	138,450
UPPER MIDWEST AEROSPACE CONSORT.	1,000
UTAH STATE UNIV. SPACE DYNAMICS LAB	540,000
UTAH STATE UNIVERSITY	431,468
VIRGINIA POLY INST & STATE UNIV	1,035,719
WASHINGTON STATE UNIVERSITY	1,544,804
WASHINGTON UNIVERSITY	32,164
WEST TEXAS A&M UNIVERSITY	171,560
WEST VIRGINIA STATE UNIVERSITY	98,043
WEST VIRGINIA UNIVERSITY	1,038,312
WESTERN KENTUCKY UNIVERSITY	865,865
WILLIAM CAREY UNIVERSITY	9,878
WORLD FOOD PRIZE FOUNDATION	31,000
WUHAN BOTANICAL GARDEN	6,000

## Agricultural Research Service

FY 2010 EXTRAMURAL PROJECTS

Cooperator	Extramural Amount
XAVIER UNIVERSITY	1,000
YALE UNIVERSITY	565,853
TOTAL	114,903,543

## Agricultural Research Service

FY 2011 EXTRAMURAL PROJECTS

Cooperator	Extramural Amount
AFRICAN INSECT SCI FOOD HEALTH	\$ 50,000
AGRIC UNIV OF TIRANA	5,900
AGRICULTURE CANADA	43,333
ALABAMA AGRI & MECH COLLEGE	19,512
ALCORN STATE UNIVERSITY	342,000
ALLIANCE COAL, LLC	25,000
AMER BIOL SAFE ASSC	4,000
AMERICAN ASSOCIATION OF BOTANICAL GARDENS & ABORETA	48,781
ARIZONA COTTON RES & PROTECTION COUNCIL	30,000
ARIZONA STATE UNIVERSITY	30,000
ARKANSAS CHILDREN'S HOSPITAL	6,592,000
ARKANSAS STATE UNIVERSITY	100,000
ASOMBRO INST SCI EDUCATION	10,000
ATATURK UNIVERSITY	15,000
AUBURN UNIVERSITY	289,100
AZERBAIJAN NATL ACADEMY SCIENCES	4,000
BARRY LAVINE	7,075
BAYLOR COLLEGE OF MEDICINE	9,992,000
BEET SUGAR DEV FOUNDATION	15,850
BEN GURION UNIV	24,390
BENT CREEK INSTITUTE INC.	4,910
BIOTECH & BIOLOG CONTROL AGENCY	136,800
BIOVERSITY INTERNATIONAL	41,746
BLUEWAVE MICROBICS, LLC	30,000
BOYCE THOMPSON INSTITUTE	438,612
BOYS, GIRLS, ADULTS COM. CTR	25,000
BRANDEIS UNIVERSITY	108,826
BRENT LARSON (FARMER)	4,000
CENTRE FOR AGRICULTURAL BIOSCIENCE INTERNATIONAL (CABI)	15,638
CANKDESKA CIKANA COMM COLLEGE	1,000

## Agricultural Research Service

FY 2011 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
CAMARA PARAGUAYA DE EXPORTADORES Y COMERCIALIZADORES DE CEREALES Y OLEAGINOSAS (CAPECO)	70,500
CARRINGTON AGRIC EXPT STATION	58,005
CARY CHRISTIAN CENTER, INC.	1,938
CENTRO AGRON TROPICAL INVEST ENS	33,959
CHINESE ACADEMY OF AGRI SCIENCES	91,327
CLEMSON UNIVERSITY	270,791
COLBY COLLEGE	4,000
COLD SPRING HARBOR LABORATORY	268,198
COLORADO STATE UNIVERSITY	486,707
COLUMBIA BASIN COLLEGE	10,000
COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION (CSIRO)	236,558
CONF ASIAN PACIFIC AMER LDRSHF	10,000
CONNECTICUT AGRICULTURAL EXPERIM. STATION	198,049
CORNELL UNIVERSITY	2,055,373
COTTON INCORPORATED	50,000
COUNCIL FOR AGRIC SCI & TECH	20,000
CROW VALLEY LIVESTOCK COOP INC	190,000
CRYSTAL RIVER	10,000
DARREL M. TEMPLE	43,000
DEKALB COUNTY SOIL & WATER CONSERVATION DISTRICT	50,000
DELTA HEALTH ALLIANCE	383,463
EASTERN MENNONITE UNIVERSITY	51,000
FLORAGENEX, INC.	100,000
FORT VALLEY STATE COLLEGE	6,300
FUNDACAO PAU BRASIL (FUNPAB)	30,000
GEISINGER CENTER	167,130
GEORGE MASON UNIVERSITY	30,000
GRAND FORKS PARK DISTRICT	60,000
HAWAII AGRIC RES CNTR	380,072
HEILONGJIANG ACADEMY AG SCI	7,000
ICONNECT GROUP (ICG) SERVICES LC	4,000
ILIA CHAVCHAVADZE STATE UNIVERSITY	10,860
INRA-VERSAILLES	15,000
INST NAC DE TECHNOL AGROPECUARIA	17,897
INST NACTIONAL TECNOL AGROP	5,000
INSTITUTO DE CULTIVOS TROPICALES	130,000
INSTITUTO DI VIROLOGIA VEGETALE	2,160
INSTITUTO NACIONAL AUTÓNOMO DE INVESTIGACIONES	

## Agricultural Research Service

FY 2011 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
AGROPECUARIAS (INIAP)	40,000
INSTITUTO UNIEMP	21,450
INTERNATIONAL MAIZE AND WHEAT IMPROVEMENT CENTER (CIMMYT)	83,049
INTL ALLIANCE BIOL STRZ (IABS)	1,000
INTL INST TROPICAL AGRICULTURE	10,000
IOWA STATE UNIVERSITY	260,561
J. CRAIG VENTER INSTITUTE, INC.	20,000
JUST FOOD, INC.	4,900
KANSAS STATE UNIVERSITY	1,934,415
KEARNEY HORT STATION	65,000
KENT STATE UNIVERSITY	13,650
LOUISIANA STATE UNIV. AG. CENTER	50,000
LOUISIANA STATE UNIVERSITY	136,299
MAKERERE UNIVERSITY	82,925
MARYLAND DEPT OF AGRICULTURE	8,218
METHYL BROMIDE ALTERN. OUTREACH	40,000
MIAMI UNIVERSITY	87,518
MICHAEL FIELDS AGRICULTURAL INST	154,527
MICHIGAN STATE UNIVERSITY	764,607
MID-FLORIDA RESEARCH & EDUCATION	147,317
MISS AGRI & FORESTRY EXP STATION	6,026,547
MISSISSIPPI STATE UNIVERSITY	2,025,121
MISSISSIPPI VALLEY STATE UNIV	65,000
MONTANA STATE UNIVERSITY	12,340
NATIONAL CNTR FOR GENOME RESOURC	980,050
NATIONAL COTTON COUNCIL	152,129
NATL TURFGRASS EVAL PROG., INC.	30,000
NEVADA TAHOE CONSERV DISTRICT	4,100
NEW EARTH	35,000
NEW MEXICO STATE UNIVERSITY	262,574
NORTH CAROLINA AG RES SERV (NCARS)	25,000
NORTH CAROLINA AGRICULURAL EX ST	73,171
NORTH CAROLINA STATE UNIVERSITY	451,842
NORTH DAKOTA STATE UNIVERSITY	2,178,992
NORTHERN ILLINOIS UNIVERSITY	10,000
OHIO STATE UNIV. RES. FOUNDATION	13,500
OHIO STATE UNIVERSITY	688,700
OKLAHOMA STATE UNIVERSITY	409,270
OKLAHOMA WATER RESOURCES BOARD	78,000
ONDOKUZ MAYIS UNIVERSITY	2,000

## Agricultural Research Service

FY 2011 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
OREGON STATE UNIVERSITY	1,167,663
PEERBOLT CROP MANAGEMENT	28,132
PENNINGTON BIOMEDICAL RES CENTER	341,000
PENNSYLVANIA STATE UNIVERSITY	346,045
POLLINATOR PARTNERSHIP	10,000
PRACTICAL FARMERS OF IOWA	44,801
PURDUE UNIVERSITY	1,944,796
RODALE INSTITUTE RESEARCH CENTER	60,000
ROTHAMSTED EXPERIMENTAL STATION	5,000
RUTGERS AGRI RES & EXTENSION CTR	637,582
RUTGERS UNIVERSITY	149,184
SALINAS VALLEY SOLID WASTE AUTH	66,000
SAMUEL ROBERTS NOBLE FOUNDATION	32,000
SERVICE SPECIALIST, LTD	500,000
SOIL & WATER CONSERVATION SOCIETY	20,000
SOUTH DAKOTA STATE UNIVERSITY	351,652
SOUTHERN ILLINOIS UNIVERSITY	7,500
SOUTHERN UNIV & A&M COLLEGE	287,000
SPECTRUM RESEARCH INC.	7,000
STEPHEN F AUSTIN STATE UNIV	2,000
STUDENT CONSERVATION ASSOCIATION	8,608
TEL AVIV UNIVERSITY	9,000
TENNESSEE STATE UNIVERSITY	440,222
TEXAS A&M UNIVERSITY	713,268
TEXAS A&M UNIV-KINGSVILLE CITRUS	74,000
TEXAS AGRILIFE RES & EXT CNTR	116,622
TEXAS TECH UNIVERSITY	473,895
THE CONSERVATION FUND	1,589,474
THE MITRE CORPORATION	5,000
THE MORTON ARBORETUM	20,260
TOWSON UNIVERSITY	50,000
TRUMAN STATE UNIVERSITY	8,780
TUFTS UNIVERSITY	6,864,974
TULANE UNIVERSITY	27,500
TUSKEGEE UNIVERSITY	10,000
UMBRELLA ASSC GERMAN PIG PROD	4,000
UNIVERSITY OF AKRON	600
UNIVERSITY OF ALASKA	1,477,773
UNIVERSITY OF ARIZONA	346,170
UNIVERSITY OF ARKANSAS	113,349

## Agricultural Research Service

FY 2011 EXTRAMURAL PROJECTS

Cooperator	Extramural Amount
UNIVERSITY OF AUCLAND	3,787
UNIVERSITY OF CALIFORNIA	3,961,812
UNIVERSITY OF CAMBRIDGE	150,027
UNIVERSITY OF CONNECTICUT	603,706
UNIVERSITY OF DELAWARE	74,000
UNIVERSITY OF FLORIDA	753,773
UNIVERSITY OF GEORGIA	144,250
UNIVERSITY OF HAWAII	1,084,560
UNIVERSITY OF IDAHO	621,491
UNIVERSITY OF ILLINOIS	979,298
UNIVERSITY OF IOWA	86,999
UNIVERSITY OF KENTUCKY	1,030,334
UNIVERSITY OF KENTUCKY RES FND	8,940
UNIVERSITY OF LOUISIANA AT LAFAYETTE	1,000
UNIVERSITY OF LOUISVILLE	5,509
UNIVERSITY OF MAINE	11,548
UNIVERSITY OF MARYLAND	1,499,065
UNIVERSITY OF MARYLAND EASTERN SHORE	472,405
UNIVERSITY OF MASSACHUSETTS	155,119
UNIVERSITY OF MINNESOTA	956,757
UNIVERSITY OF MISSISSIPPI	4,567,316
UNIVERSITY OF MISSOURI	372,023
UNIVERSITY OF NEBRASKA	1,543,021
UNIVERSITY OF NEVADA	146,250
UNIVERSITY OF NEW MEXICO	30,000
UNIVERSITY OF NORTH DAKOTA	2,217,043
UNIVERSITY OF NORTH TEXAS	58,537
UNIVERSITY OF PITTSBURGH	5,000
UNIVERSITY OF PUERTO RICO	67,692
UNIVERSITY OF READING	156,265
UNIVERSITY OF RHODE ISLAND	259,971
UNIVERSITY OF SOUTHERN MISSISSIPPI	385,000
UNIVERSITY OF TENNESSEE	599,709
UNIVERSITY OF TOLEDO	304,403
UNIVERSITY OF UTAH	42,000
UNIVERSITY OF VERMONT	48,213
UNIVERSITY OF WASHINGTON	327,279
UNIVERSITY OF WISCONSIN	1,778,732
UNIVERSITY OF WYOMING	39,000
US ARMY MED INST OF INFECT DIS	110,000

## Agricultural Research Service

FY 2011 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
UTAH STATE UNIV. SPACE DYNAMICS LAB	485,000
UTAH STATE UNIVERSITY	519,805
VIRGINIA POLY INST & STATE UNIV	1,170,844
WASHINGTON STATE UNIVERSITY	1,213,393
WEST TEXAS A&M UNIVERSITY	238,162
WEST VIRGINIA STATE UNIVERSITY	44,689
WEST VIRGINIA UNIVERSITY	994,021
WESTERN KENTUCKY UNIVERSITY	810,988
WORLD FOOD PRIZE FOUNDATION	35,000
WUHAN BOTANICAL GARDEN	32,780
<b>TOTAL</b>	<b>\$91,028,899</b>

## Agricultural Research Service

FY 2012 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
AGRIC UNIV OF TIRANA	\$ 11,721
AGRICULTURAL RESEARCH COUNCIL	45,000
AGRICULTURE CANADA	44,000
ALABAMA AGRI & MECH COLLEGE	2,500
ALCORN STATE UNIVERSITY	129,368
AMER ASSOC ADV SCIENCE (AAAS)	9,000
AMER ASSOC BOT GARDENS & ABORETA	43,860
AMER SOC AG & BIOL ENG (ASABE)	5,000
AMERICAN COLLEGE SPORTS MEDICINE	10,000
AMERICAN SOC FOR NUTRITION	5,000
APPLIED BIOMICS, INC.	20,000
ARIZONA STATE UNIVERSITY	25,000
ARKANSAS CHILDREN'S HOSPITAL	5,892,000
ARKANSAS STATE UNIVERSITY	48,605
ASOMBRO INST SCI EDUCATION	12,600
ATATURK UNIVERSITY	3,000
AUBURN UNIVERSITY	90,000
AUTHEN TECHNOLOGIES LLC	30,000
AZ COTTON RES & PROTECTION COUNC	5,994
BARRY LAVINE	1,500
BAYLOR COLLEGE OF MEDICINE	10,204,000
BEET SUGAR DEV FOUNDATION	16,754

## Agricultural Research Service

FY 2012 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
BGI AMERICAS	105,000
BIO-E-CROPS, LLC	9,000
BIOTECH & BIOLOG CONTROL AGENCY	241,572
BIOVERSITY INTERNATIONAL	22,762
BLUEWAVE MICROBICS, LLC	55,000
BOWIE STATE UNIVERSITY	20,000
BOYCE THOMPSON INSTITUTE	240,942
BRANDEIS UNIVERSITY	70,866
CALIFORNIA STATE UNIVERSITY	12,000
CAMARA PARAGUAYA DE EXPORTADORES Y COMERCIALIZADORES DE CEREALES Y OLEAGINOSAS (CAPECO)	63,728
CARRINGTON AGRIC EXPT STATION	54,464
CENTRAL LAKES COLLEGE	14,800
CENTRO AGRONOMICO TROPICAL DE INVESTIGACION Y ENSEÑANZA	26,000
CHINESE ACADEMY OF AGRI SCIENCES	82,693
CLEMSON UNIVERSITY	138,827
COLD SPRING HARBOR LABORATORY	224,106
COLORADO STATE UNIVERSITY	471,436
COLUMBIA BASIN COLLEGE	8,844
COLUMBIA UNIVERSITY	50,000
COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION (CSIRO)	265,586
CONF ASIAN PACIFIC AMER LDRSHIP	10,000
CORNELL UNIVERSITY	1,964,053
COTTON INCORPORATED	30,405
COUNCIL FOR AGRIC SCI & TECH	20,000
CROW VALLEY LIVESTOCK COOP INC	112,000
CT AGRICULTURAL EXPERIM. STATION	126,242
DEKALB CNTY SOIL&WTR CNSRV DIST	52,098
DELAWARE STATE UNIVERSITY	40,000
DELTA HEALTH ALLIANCE	86,466
DONALD DANFORTH PLANT SCI. CTR.	25,221
EASTERN MENNONITE UNIVERSITY	10,307
ENERSOL RESOURCES	15,000
FEDERATION ANIMAL SCIENCE SOC.	20,000
FLORIDA AGRI & MECH UNIVERSITY	44,000
FND STDY INVASIVE SPEC (FUEDEI)	379,922
FOOD AND NUTRITION BOARD	20,000
FUNDACAO PAU BRASIL (FUNPAB)	22,000
GEISINGER CENTER	167,863

## Agricultural Research Service

FY 2012 EXTRAMURAL PROJECTS

Cooperator	Extramural Amount
GEORGE MASON UNIVERSITY	2,800
GRAND FORKS PARK DISTRICT	30,000
GRAZING LANDS CONSRV INIT	25,000
GREENDELTA GMBH	13,750
HAWAII AGRIC RES CNTR	342,604
HONDURAN FOUNDATION FOR AG RES.	7,000
ILIA CHAVCHAVADZE STATE UNIVERSITY	4,000
INDIANA UNIVERISTY	101,818
INDONESIAN COFFEE COCOA RES INST	10,000
INRA-VERSAILLES	29,240
INST NAC DE TECHNOL AGROPECUARIA	70,305
INSTITUTO DE CULTIVOS TROPICALES	105,449
INSTITUTO INTERAMERICANO DE COOPERACION PARA LA AGRICULTURA (IICA)	25,000
INSTITUTO NACIONAL AUTÓNOMO DE INVESTIGACIONES AGROPECUARIAS (INIAP)	41,000
INTERNATIONAL MAIZE AND WHEAT IMPROVEMENT CENTER (CIMMYT)	71,277
INTL LIFE SCIENCES INSTITUTE	4,875
IOWA STATE UNIVERSITY	328,305
J. CRAIG VENTER INSTITUTE, INC.	11,035
KANSAS STATE UNIVERSITY	1,481,594
KEARNEY HORT STATION	56,947
LABORATOIRE NATL VET (LANAVET)	60,030
LOUISIANA STATE UNIV. AG. CENTER	67,690
LOUISIANA STATE UNIVERSITY	154,345
MALPAI BORDERLANDS GROUP	250
MARYLAND DEPT OF AGRICULTURE	10,190
METHYL BROMIDE ALTERN. OUTREACH	20,000
MICHAEL FIELDS AGRICULTURAL INST	136,658
MICHIGAN STATE UNIVERSITY	775,801
MIDDLE TENNESSEE STATE UNIV	22,505
MID-FLORIDA RESEARCH & EDUCATION	217,349
MINOR IN AG, NAT RES RELT SCI	12,000
MISS AGRI & FORESTRY EXP STATION	5,354,733
MISSISSIPPI STATE UNIVERSITY	1,858,426
MISSISSIPPI VALLEY STATE UNIV	21,701
MISSOURI BOTANICAL GARDEN	50,205
MONTANA STATE UNIVERSITY	13,050
N. CAROLINA AG RES SERV (NCARS)	34,195

## Agricultural Research Service

FY 2012 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
NAT. CTR. FOR APPROPRIATE TECH.	3,000
NATIONAL ACADEMY OF SCIENCES	48,733
NATIONAL CNTR FOR GENOME RESOURC	996,869
NATIONAL COTTON COUNCIL	192,237
NATL TURFGRASS EVAL PROG., INC.	30,000
NEW MEXICO STATE UNIVERSITY	341,534
NORTH CAROLINA AGRICULTURAL EX ST	73,100
NORTH CAROLINA STATE UNIVERSITY	390,076
NORTH DAKOTA STATE UNIVERSITY	2,036,341
NORTHERN ILLINOIS UNIVERSITY	9,097
OHIO STATE UNIV. RES. FOUNDATION	7,226
OHIO STATE UNIVERSITY	451,508
OKLAHOMA STATE UNIVERSITY	312,331
OKLAHOMA WATER RESOURCES BOARD	46,072
OREGON STATE UNIVERSITY	871,784
PEERBOLT CROP MANAGEMENT	62,795
PENNINGTON BIOMEDICAL RES CENTER	304,688
PENNSYLVANIA STATE UNIVERSITY	325,770
POLLINATOR PARTNERSHIP	10,000
PRACTICAL FARMERS OF IOWA	39,855
PURDUE UNIVERSITY	1,819,078
RODALE INSTITUTE RESEARCH CENTER	46,271
ROYAL BOTANIC GARDENS	15,000
RUTGERS AGRI RES & EXTENSION CTR	573,374
RUTGERS UNIVERSITY	481,591
SOUTH DAKOTA STATE UNIVERSITY	216,405
SOUTHERN ILLINOIS UNIVERSITY	3,500
SOUTHERN UNIV & A&M COLLEGE	236,775
TARLETON STATE UNIVERSITY-TEXAS INSTITUTE FOR APPLIED ENVIRONMENTAL RESEARCH (TIAER)	28,000
TEL AVIV UNIVERSITY	13,000
TENNESSEE STATE UNIVERSITY	356,892
TENNESSEE TECHNOLOGICAL UNIV	10,000
TEXAS A&M UNIVERSITY	354,591
TEXAS AGRILIFE RES & EXT CNTR	499,198
TEXAS TECH UNIVERSITY	515,466
THE CONSERVATION FUND	1,438,469
THE OTHER FIRM, LLC	8,000
THURGOOD MARSHALL COLLEGE FUND	10,000
TOWSON UNIVERSITY	36,438

## Agricultural Research Service

FY 2012 EXTRAMURAL PROJECTS

Cooperator	Extramural Amount
TRUMAN STATE UNIVERSITY	7,764
TUFTS UNIVERSITY	8,532,163
TULANE UNIVERSITY	25,094
U.S. CIVILIAN RES & DEVEL FNDTN	132,846
UNIV CALIFORNIA COOPERATIVE EXT.	24,983
UNIV OF ILLINOIS CHICAGO CIRC	102,339
UNIV OF PUERTO RICO (MAYAGUEZ)	54,196
UNIVERSITY LOUISIANA AT LAFAYETTE	2,500
UNIVERSITY OF ARIZONA	232,052
UNIVERSITY OF ARKANSAS	228,343
UNIVERSITY OF CALIFORNIA	2,450,396
UNIVERSITY OF CAMBRIDGE	67,563
UNIVERSITY OF CONNECTICUT	545,150
UNIVERSITY OF DELAWARE	66,035
UNIVERSITY OF FLORIDA	616,825
UNIVERSITY OF GEORGIA	90,488
UNIVERSITY OF HAWAII	724,665
UNIVERSITY OF IDAHO	594,342
UNIVERSITY OF ILLINOIS	757,928
UNIVERSITY OF IOWA	80,000
UNIVERSITY OF KENTUCKY	903,796
UNIVERSITY OF LOUISVILLE	65,007
UNIVERSITY OF MAINE	95,705
UNIVERSITY OF MARYLAND	3,239,642
UNIVERSITY OF MINNESOTA	927,867
UNIVERSITY OF MISSISSIPPI	4,004,457
UNIVERSITY OF MISSOURI	455,660
UNIVERSITY OF NEBRASKA	854,507
UNIVERSITY OF NEVADA	104,133
UNIVERSITY OF NEW MEXICO	25,000
UNIVERSITY OF NORTH DAKOTA	488,500
UNIVERSITY OF NORTH TEXAS	62,374
UNIVERSITY OF PUERTO RICO	6,221
UNIVERSITY OF READING	138,575
UNIVERSITY OF RHODE ISLAND	136,452
UNIVERSITY OF SASKATCHEWAN	8,000
UNIVERSITY OF TENNESSEE	515,379
UNIVERSITY OF TEXAS	13,469
UNIVERSITY OF THE SCIENCES	15,000
UNIVERSITY OF TOLEDO	277,120

## Agricultural Research Service

FY 2012 EXTRAMURAL PROJECTS

<u>Cooperator</u>	<u>Extramural Amount</u>
UNIVERSITY OF VERMONT	43,493
UNIVERSITY OF WASHINGTON	216,262
UNIVERSITY OF WISCONSIN	1,121,301
UNIVERSITY SOUTHERN MISSISSIPPI	315,000
UNIVERSITY TEXAS MEDICAL BRANCH	6,270
UTAH STATE U. SPACE DYNAMICS LAB	434,000
UTAH STATE UNIVERSITY	351,548
VIRGINIA POLY INST & STATE UNIV	410,596
WASHINGTON STATE UNIVERSITY	1,016,003
WEST TEXAS A&M UNIVERSITY	202,566
WEST VIRGINIA UNIVERSITY	398,480
WESTERN ILLINOIS UNIVERSITY	11,000
WESTERN KENTUCKY UNIVERSITY	717,594
WORLD FOOD PRIZE FOUNDATION	30,000
WUHAN BOTANICAL GARDEN	24,332
<b>TOTAL</b>	<b>\$79,735,278</b>

## Cooperative Agreements with State Institutions

Mr. Aderholt: Please provide a list of cooperative agreements with state institutions, including funding, for fiscal years 2009 through 2012 and estimated for 2013 and 2014.

Response: There were five cooperative agreements with state institutions for FY 2009. These agreements were with: Arizona Cotton Research & Protection Council, Tempe, Arizona (\$53,303); Connecticut Agricultural Experiment Station, New Haven, Connecticut (\$748,568); Milwaukee Public Museum, Milwaukee, Wisconsin (\$90,000); New Orleans Mosquito & Termite Control Board, New Orleans, Louisiana (\$350,074); and Oklahoma Water Resources Board, Oklahoma City, Oklahoma (\$45,450).

In FY 2010, there were five cooperative agreements with state institutions. These agreements were with: Arizona Cotton Research & Protection Council, Tempe, Arizona (\$53,271); Connecticut Agricultural Experiment Station, New Haven, Connecticut (\$833,568); Milwaukee Public Museum, Milwaukee, Wisconsin (\$60,500); New Orleans Mosquito & Termite Control Board, New Orleans, Louisiana (\$325,074); and Oklahoma Water Resources Board, Oklahoma City, Oklahoma (\$78,100).

In FY 2011, there were four cooperative agreements with state institutions. These agreements were with: Arizona Cotton Research & Protection Council, Tempe, Arizona (\$30,000); Connecticut Agricultural Experiment Station, New Haven, Connecticut (\$198,048); Maryland Department of Agriculture, Annapolis, Maryland (\$8,218); and Oklahoma Water Resources Board, Oklahoma City, Oklahoma (\$78,000).

In FY 2012, there were four cooperative agreements with state institutions. These agreements were with: Arizona Cotton Research & Protection Council, Tempe, Arizona (\$5,994); Connecticut Agricultural Experiment Station, New Haven, Connecticut (\$126,242); Maryland Department of Agriculture, Annapolis, Maryland (\$10,190); and Oklahoma Water Resources Board, Oklahoma City, Oklahoma (\$46,072). No new cooperative agreements have been proposed for FYs 2013 and 2014 and funding estimates are not yet available.

## ARS Facility Maintenance

Mr. Aderholt: Please update the fiscal year 2013 hearing record regarding the total amount needed to address maintenance needs. What are the top ten highest priorities?

Response: ARS contracted with a vendor to review facility conditions. The vendor inspected a sample of representative buildings from thirty-six ARS locations (roughly 55 percent of the total inventory) and used parametric models to estimate deferred maintenance for the remaining building inventory. Total deferred maintenance for ARS buildings is \$294 million. This list does not include new and replacement facilities or projects awaiting full funding. Deferred maintenance is defined as the amount necessary to ensure that a construction asset is restored to a condition substantially equivalent to the originally intended and designed capacity, efficiency, or capability. The current deferred maintenance amount is currently under its annual review and revision. The top ten projects that address health, safety, and critical infrastructure issues at facilities that support high priority research are provided for the record.

[The information follows:]

Facility/Project	City, State	Cost In Millions
Foreign Disease Weed Science Research Laboratory, Replace Mechanical and Electrical Systems and Skin of Containment Greenhouses	Frederick, MD	\$7.0
Richard B. Russell Research Center, Replace the main chiller and boilers and piping systems and replaces the HVAC system on one floor with one that complies with current standards.	Athens, GA	15.5
United States National Arboretum, Repair and Replace Domestic Waterlines	Washington, DC	5.2
Beltsville Agricultural Research Center, Repair and Replace Steam and Condensate Distribution Piping.	Beltsville, MD	10.4
United States Meat Animal Research Center, Major Electrical Infrastructure Modernization	Clay Center, NE	3.6
Beltsville Agricultural Research Center, Upgrade Electrical Substation	Beltsville, MD	6.2
National Agricultural Library, Replace Fire Alarm System	Beltsville, MD	2.2
United States National Arboretum, Repair and Replace Sanitary Lines	Washington, DC	7.8
Red River Valley Agricultural Research Center, Laboratory Modernization	Fargo, ND	4.0
Replacement of Air Handling Units, Phase 2 of 2	Ithaca, NY	1.1
<b>Total</b>		<b>63.0</b>

#### ARS Southeast Poultry Research Laboratory

Mr. Aderholt: Please provide a complete description of the proposal to provide \$155 million to design and construct the Southeast Poultry Research Laboratory.

Response: The Southeast Poultry Research Laboratory (SEPRL) in Athens, Georgia, is the major facility in USDA and the Nation, for conducting research on exotic and emerging poultry diseases, including Avian Influenza and velogenic Newcastle disease. SEPRL's poultry research facilities are inadequate for addressing highly virulent poultry diseases that require increased biocontainment capabilities and state-of-the-art facilities. SEPRL has Biosafety Level (BSL)-2 Laboratory and BSL-3 Ag facilities that were constructed in 1964 and 1976. Also, these facilities (32 small, inefficient buildings) no longer meet SEPRL's expanded research needs. The buildings which were designed for four scientists and their support staff currently serve twelve scientists and their support staff. Critical, cutting edge research is not being conducted because of facility limitations. A new facility is required to continue efforts to protect our poultry industries from new and emerging influenza viruses and emerging/exotic poultry diseases which threaten the Nation's poultry industry and potentially U.S. public

health. The new facility will provide state-of-the-art laboratories and necessary biocontainment capabilities needed to continue this critical research.

The request fully funds the construction of the laboratory. Construction will be completed in three phases to allow the facility to continue to operate throughout construction. Each phase must be complete and operational before the following phase can start construction. After all construction is complete, the laboratory will have 16 buildings with a total 143,000 Gross Square Feet (GSF), 111,000 GSF in eight new facilities and 32,000 GSF in nine renovated facilities.

Design for all three phases will be awarded in fiscal year 2014 and is estimated at \$10 million. Phase 1 construction will be awarded in fiscal year 2014 and consists of demolishing twelve buildings and two trailers, constructing swing space and then constructing two production facilities and three ancillary buildings (feed storage, general storage, and maintenance), and preparing the site for the new laboratory building. Phase 1 is estimated at \$22 million. Phase 2 construction will be awarded in fiscal year 2015 and consists of constructing a 75,000 GSF main laboratory building that includes a 330 GSF incinerator building. Phase 2 is estimated at \$99 million. Phase 3 construction will be awarded in fiscal year 2015 and consists of renovating 9 buildings, demolishing 14 buildings, constructing one new production and one new breeding facility, and finalizing site work and roadways. Phase 3 is estimated at \$24 million.

#### ARS Aircraft

Mr. Aderholt: Please update the committee on the number and type of aircraft currently owned and leased by ARS.

Response: The Agricultural Research Service owns seven aircraft, of which one aircraft is non-operational and is used for parts. The aircraft are located at College Station, and Moore Air Base in Mission, Texas. The two aircraft that are located at Moore Air Base are housed with APHIS. These aircraft were previously located in Weslaco, Texas. The information is provided for the record.

1979 Cessna Aircraft Company 188C, Tail Number: N2182J  
 1996 Air Tractor 402B, Tail Number: N38HT  
 1967 Bell Helicopter U206B, Tail Number: N616  
 1998 McDonnell Douglas Aircraft MD-600N N605BP  
 1998 McDonnell Douglas Aircraft MD-600N N604BP(non-operational)  
 1977 Cessna Aircraft Company 404, Tail Number: N306SK  
 1978 Cessna Aircraft Company TU206G, Tail Number: N756NN

## National Arboretum

Mr. Aderholt: Please update the information provided in the fiscal year 2013 hearing record regarding the budget for the National Arboretum for fiscal years 2009 through 2012 and estimated for 2013 and 2014.

Response: The ARS budget for the National Arboretum is as follows: FY 2009, \$11,498,000; FY 2010, \$11,535,000; FY 2011, \$11,413,000; FY 2012, \$11,413,000; FY 2013 (estimated), \$11,413,000; and FY 2014 (estimated), \$11,413,000.

## National Agricultural Library (NAL)

Mr. Aderholt: Please update the information provided in the fiscal year 2013 hearing record regarding the budget for the National Agricultural Library for fiscal years 2009 through 2012 and estimated for 2013 and 2014.

Response: The budget for the National Agricultural Library is as follows: FY 2009, \$22,697,000; FY 2010, \$23,088,000; FY 2011, \$22,195,000; FY 2012, \$21,772,000; FY 2013, \$21,772,000 (estimated); and FY 2014, \$26,272,000 (estimated). Totals include funding for Repair and Maintenance, which are \$853,000 in FY 2012, FY 2013, and FY 2014.

## Aflatoxin

Mr. Aderholt: Please provide a summary of ARS research on aflatoxin, including funding, major projects, recipients and location of recipients, for fiscal years 2009 through 2013. Also describe ARS's plan for fiscal year 2014.

Response: ARS conducts aflatoxin research at Maricopa, Arizona; Albany, California; Dawson and Tifton, Georgia; Peoria, Illinois; New Orleans, Louisiana; Mississippi State, Mississippi; and Stoneville, Mississippi. Research focuses on the development of detection and characterization technologies for *Aspergillus* strains and their related toxins, reducing aflatoxin levels by biological control, and development of genetic resistance.

In 2014, research will: (1) continue with a major emphasis on the use of non-toxigenic strains of fungi, and yeast for biological control. Biological control is the leading tool for prevention of aflatoxin contamination of maize, peanut, cottonseed, and pistachio in commercial agriculture in the United States. The results of the proposed work will support development of optimized and expanded biological control methodologies in the United States and in Africa and in so doing provide the opportunity to reduce both aflatoxin related food losses, increasing food security, and reduce the costs of aflatoxin management; (2) continue identifying and developing natural products to inhibit the fungi that promote, produce or degrade aflatoxins; (3) understand the phylogenetics of aflatoxin production through an examination of the population dynamics of aflatoxigenic and non-toxigenic species in mixed culture; (4) use genomics to determine the molecular and biological changes that occur upon *Aspergillus* infection, and the abiotics factors that influence infection; and (5) continue to develop plant germplasm with resistance to aflatoxin accumulation along with identifying DNA markers to accelerate genetic selection.

Funding for ARS research activities related to aflatoxin is as follows: FY 2009, \$14,223,000; FY 2010, \$14,498,000; FY 2011, \$14,615,000; FY 2012, \$14,615,000; FY 2013, \$14,615,000 (estimated); and FY 2014, \$16,783,000 (estimated).

#### Office of Pest Management Policy

Mr. Aderholt: Please update the committee on staffing and expenditures for the Office of Pest Management Policy for fiscal years 2009 through 2013. What are the plans for the office for fiscal year 2014?

Response: Funding for the USDA Office of Pest Management Policy (OPMP) is as follows: FY 2009, \$1,686,000; FY 2010, \$1,712,000, FYs 2011 through FY 2013, \$1,647,000; and FY 2014, \$1,647,000 (estimated). Salary and expenses for nine staff were supported with this level of funding, along with limited additional funds from the USDA Advisory Committee on Biotechnology and 21<sup>st</sup> Century Agriculture which receives staff support from OPMP. In FY 2013, one staff economist vacancy was abolished, bringing the number of staff to eight. Specific needs for fiscal year 2014 are covered by continued salary and expense support. OPMP continues to work with the Environmental Protection Agency (EPA), USDA agencies, National Marine Fisheries Service (NMFS), numerous other Federal agencies, and agricultural producers to ensure the development and use of high-quality agricultural information and data for pesticide risk assessment and risk mitigation, and for threatened and endangered species biological opinions. OPMP continues to represent and support the interests of growers for USDA at the Meeting of the Parties of the Montreal Protocol and related meetings (all international meetings and in remote and/or expensive locations). Methyl bromide, an important and effective fumigant is being phased out under this treaty; however, growers may request the use where there are no technical or economically feasible alternatives to this fumigant. Additional challenges have surfaced as approved alternatives have been removed or been proposed to be removed from the market, leaving U.S. agriculture vulnerable without an adequate fumigant. OPMP is providing leadership in conjunction with EPA and important USDA partners on issues related to the decline in managed honey bee health, which is gaining national attention as more studies related to issues are published. OPMP, in conjunction with the four USDA Integrated Pest Management Centers, also works with growers to develop and implement plans to transition to more effective and lower-risk pest management tactics. This effort has become increasingly important as EPA continues its implementation of the Food Quality Protection Act through pesticide registration review. In addition, OPMP is responsible for the interagency coordination, stakeholder outreach, and planning and development for the National Plant Disease Recovery System required by Homeland Security Presidential Directive #9. OPMP is also the technical lead for comments by USDA agencies for inter-agency review requests from EPA and the State Department for numerous toxic substances related to agriculture. For example, in 2013, OPMP is providing leadership for USDA in reviewing EPA's proposed Worker Protection Standards with regard to pesticides.

#### Closed 12 Laboratories and Facilities

Mr. Aderholt: The fiscal year 2012 agriculture appropriations conference report agreed with the ARS proposal to close 12 laboratories and facilities. Please provide a description of the costs associated with the closures and update the Committee on the status of the closures.

Response: Initial ARS estimates of the one-time costs for the relocation or separation of impacted personnel and the disposal of property associated with the closures in fiscal year 2012 were \$39 million. To finance these one-time costs, ARS implemented a 0.7% across the board cut to all agency programs, used available salary lapse funds, and implemented a 30% assessment on all outgoing specific cooperative agreements, assistance type cooperative agreements, and grants on a one-time basis.

The actual one-time costs associated with the closures that ARS incurred in FY 2012 totaled \$23.6 M. ARS successfully completed all of the personnel actions necessitated by the closure of these laboratories, however, the property disposal moved more slowly than anticipated. As a result, ARS' actual costs associated with facility disposal were less than the initial estimate. ARS used the following funding sources to cover these one-time costs in FY 2012:

Assessment of extramural agreements	\$7.0 M
Across-the-board assessment of agency programs	7.4 M
Agency salary lapse	9.2 M
Total	\$23.6 M

Funds collected through the assessment on outgoing specific cooperative agreements which were in excess of the amount required to cover the actual closure costs were provided to the cooperators via amendment to the agreement.

Public Law 112-55 granted the Secretary of Agriculture the authority to convey the facilities associated with the closure of the 12 ARS laboratories to Land Grant institutions, 1994 Institutions, and Hispanic-serving agricultural colleges and universities in the same state as the property, if the institution agrees to maintain the facility for agricultural and natural resources research for a minimum of 25 years. USDA asked all eligible institutions who were interested in acquiring the associated real property assets to submit an application with a variety of information including how the facility will be operating in the future and the extent the proposed use of the facility continues the strategic goals of USDA. Six Land Grant Institutions submitted applications for six closed locations. All six applications were accepted. Two closed locations with Federally owned property not requested by an eligible institution (Brooksville, Florida and Fairbanks, Alaska) will be reported to the General Service Administration for disposal. ARS is working with the six Land Grant Institutions to complete the environmental studies and transfer documents required to complete these transfers by the September 30, 2013 deadline established by Public Law 113-6.

#### Land Grant Institutions

Clemson University  
Oklahoma State University  
Texas A&M University System  
The Ohio State University  
University of Georgia  
West Virginia University

#### ARS Closed Locations

Clemson, SC  
Lane, OK  
Weslaco, TX  
Coshocton, OH  
Watkinsville, GA  
Beaver, WV

## Germplasm Enhancement of Maize - GEM

Mr. Aderholt: Please provide a summary of the Germplasm Enhancement of Maize project, including funding, partners, purposes, and accomplishments and the plan for fiscal year 2014.

Response: The Germplasm Enhancement of Maize (GEM) project is an ARS partnership with public-sector and private-industry researchers that has the primary purpose of developing commercially competitive maize hybrids containing exotic germplasm. Under this cooperative effort, seed companies cross their proprietary maize lines with promising exotic sources and send the resulting hybrids to public-sector and industry researchers to test and breed for disease resistance, tolerance to environmental extremes, product quality, and yield.

The GEM Project's accomplishments include identifying maize lines with unique starch, protein, and oil properties; drought stress-tolerance; disease and insect resistance; and outstanding silage productivity. Overall, this new germplasm might contribute to the development of new commercial hybrids with more diverse genetic resistance to diseases and pests, as well as other valuable new traits. GEM lines with superior performance are formally released (257 lines-to-date) and distributed freely by ARS to maize researchers worldwide. GEM cooperators from private companies already use GEM germplasm in their proprietary breeding programs. Recently, the GEM Project has incorporated an ever broader spectrum of maize genetic diversity into its breeding efforts. It also has applied doubled haploid technology to develop inbred lines much more rapidly, and to incorporate new sources of host-plant resistance to diseases into breeding stock. Previously released GEM inbred lines have been intercrossed, and the resulting new breeding populations have yielded new, derived lines with enhanced field performance and breeding value.

For FY 2014, the GEM Project will continue the preceding maize germplasm enhancement research and training efforts to the extent that funding levels permit. Specific activities will include identification of new, non-U.S. germplasm sources of potentially valuable genes for maize genetic improvement; conducting yield trials, field evaluations for agronomic merit, host-plant resistance to major maize diseases, and tolerance to environmental stresses; and development of new breeding crosses and lines via traditional approaches and doubled haploid technology. The training of 13 doctoral and 5 master's degree students partially supported by the GEM Project will continue.

Funding for ARS research activities related to the Germplasm Enhancement of Maize project is as follows: FY 2009, \$1,562,000; FY 2010, \$1,588,000; FY 2011, \$1,585,000; FY 2012, \$1,585,000; FY 2013, \$1,585,000 (estimated); and FY 2014, \$1,585,000 (estimated).

## Human Nutrition Research Collaborations

Mr. Aderholt: ARS conducts human nutrition research in house and in collaboration with university partners. The programs at the University of Arkansas, Baylor College of Medicine, and Tufts University are good examples of how taxpayer resources leverage private initiative. The FY 2013 House Committee report included report language expressing support for this research. Please tell us about the collaborations among ARS and these

institutions. How much is ARS able to leverage with this partnership? What benefit does this research model provide?

Response: The Agricultural Research Service (ARS) conducts nutrition research in collaboration with the University of Arkansas for Medical Sciences, Baylor College of Medicine, and Tufts University. The University of Arkansas and Baylor College of Medicine are Congressionally mandated to study nutrition of infants, children, pregnant and lactating women, whereas the program at Tufts is mandated to study nutrition related to aging. Under the cooperative arrangement, USDA provides the physical facility at the Baylor and Tufts locations and rents the facility at Little Rock. USDA-ARS funding is used to maintain the facilities, cover operational expenses, and provide approximately half of the research and salary support. The University hires and supervises most of the faculty/staff while some scientists and staff are ARS employees. This cooperative arrangement allows ARS to leverage assets unavailable to Federally-owned and operated centers. The collaborative arrangements have strengthened the research of both ARS and the university partners. The cooperative arrangement attracts and allows for employment and retention of a large number of highly respected medical professionals, including physicians and scientists who are able to develop comprehensive programs that address the most important and fundamental clinical nutrition problems. The cooperative arrangement also attracts scientists because of the unique access to highly respected schools of medicine, clinical practice centers, patients and unique ARS facilities. Because cooperative faculty are employed through academic departments in schools of medicine (Baylor and Little Rock) or a school of nutrition (Tufts), additional cooperating faculty and resources are present that are not readily available to Federally-owned and operated centers. These assets facilitate collaborative and consulting arrangements for research, as well as the acquisition of grants needed for research support. The university infrastructure further facilitates grant submission and management by providing services not as well developed in the Federal system. The cooperative arrangement for these three human nutrition research centers has been highly successful for ARS and the cooperators. Staff from these centers, whether ARS or university employees, are considered among the best in clinical nutrition as well as in elucidation and understanding of the mechanisms that underlie clinical nutritional principles. Scientists from these centers have won numerous prestigious national and international awards, consistently produce large amounts of the most highly cited and high quality research, and are consistently regarded by their peers as the very best in the field of human nutrition. The main products of this collaborative arrangement are new research data and the publications that document the results. The average number of papers and citations they receive from other researchers, the standard measure of influence on their peers, is substantially above the average for the field of nutrition.

#### National Institute of Food and Agriculture

##### Hatch Act

Mr. Aderholt: Please update the chart provided in fiscal year 2013 hearing record showing the allocation of Hatch Act funding per university for fiscal years 2010 through 2013 (estimate). Include the number of personnel supported by the funding for the most recent year the information is available.

Response: Recipients of Hatch Act funds have the flexibility to distribute funds among research projects, infrastructure, and personnel as they wish to meet the needs of their university. The distribution of these dollars varies from state to state. Fiscal year 2013 data is being collected now. Please see below. The latest data on personnel supported with Hatch Act funds as reported into the Current Research Information System (CRIS) by recipient institutions is for fiscal year 2011. Fiscal year 2011 personnel data as reported by the institutions is provided for the record.

[The information follows:]

	Fiscal Year <u>2010</u>	Fiscal Year <u>2011</u>	Fiscal Year <u>2012</u>	Fiscal Year <u>2013 a/</u>
Auburn University	\$4,554,000	\$5,019,000	\$5,018,000	
University of Alaska	1,245,000	1,245,000	1,243,000	
American Samoa Community College	824,000	906,000	904,000	
University of Arizona	2,231,000	2,478,000	2,473,000	
University of Arkansas	3,850,000	4,236,000	4,229,000	
University of California	5,998,000	6,739,000	6,721,000	
Colorado State University	3,058,000	3,403,000	3,397,000	
University of Connecticut New Haven	886,000	966,000	964,000	
University of Connecticut Storrs	1,144,000	1,251,000	1,248,000	
University of Delaware	1,461,000	1,608,000	1,605,000	
University of District of Columbia	798,000	888,000	886,000	
University of Florida	3,435,000	3,913,000	3,913,000	
University of Georgia	5,483,000	6,014,000	6,006,000	
University of Guam	977,000	1,079,000	1,077,000	
University of Hawaii	1,459,000	1,605,000	1,603,000	
University of Idaho	2,423,000	2,691,000	2,686,000	
University of Illinois	6,216,000	6,906,000	6,796,000	
Purdue University	5,678,000	6,268,000	6,258,000	
Iowa State University	6,872,000	7,627,000	7,597,000	
Kansas State University	3,900,000	4,319,000	4,312,000	
University of Kentucky	5,734,000	6,498,000	6,492,000	
Louisiana State University	3,539,000	3,874,000	3,868,000	
University of Maine	2,111,000	2,345,000	2,340,000	
University of Maryland	2,765,000	3,038,000	3,032,000	
University of Massachusetts	2,446,000	2,666,000	2,661,000	
Michigan State University	5,839,000	6,442,000	6,437,000	
College of Micronesia	858,000	949,000	948,000	
University of Minnesota	5,670,000	6,277,000	6,267,000	
Mississippi State University	4,462,000	4,870,000	4,863,000	
University of Missouri	5,455,000	6,061,000	6,051,000	
Montana State University	2,430,000	2,707,000	2,702,000	
University of Nebraska	3,829,000	4,239,000	4,232,000	
University of Nevada	1,383,000	1,529,000	1,527,000	
University of New Hampshire	1,654,000	1,833,000	1,829,000	
Rutgers University	3,048,000	3,288,000	3,332,000	
New Mexico State University	1,852,000	2,052,000	2,049,000	
Cornell University	5,113,000	5,686,000	5,676,000	
Cornell University, Geneva	1,096,000	1,195,000	1,201,000	
North Carolina State University	7,551,000	7,908,000	7,912,000	
North Dakota State University	2,683,000	2,948,000	2,942,000	
Northern Marianas College	788,000	869,000	867,000	
Ohio State	6,759,000	7,487,000	7,475,000	
Oklahoma State University	3,597,000	4,008,000	4,002,000	
Oregon State University	3,320,000	3,708,000	3,701,000	
Pennsylvania State University	6,861,000	7,518,000	7,505,000	

	Fiscal Year <u>2010</u>	Fiscal Year <u>2011</u>	Fiscal Year <u>2012</u>	Fiscal Year <u>2013 a/</u>
University of Puerto Rico	4,151,000	4,353,000	4,349,000	
University of Rhode Island	1,383,000	1,519,000	1,516,000	
Clemson University	3,834,000	4,218,000	4,211,000	
South Dakota State University	2,811,000	3,111,000	3,106,000	
University of Tennessee	5,413,000	5,965,000	5,956,000	
Texas A&M University	7,560,000	8,483,000	8,468,000	
Utah State University	2,070,000	2,279,000	2,280,000	
University of Vermont	1,652,000	1,826,000	1,822,000	
University of the Virgin Islands	952,000	1,049,000	1,048,000	
Virginia Polytechnic Institute	4,683,000	5,158,000	5,151,000	
Washington State University	3,872,000	4,258,000	4,251,000	
West Virginia University	2,960,000	3,238,000	3,233,000	
University of Wisconsin	5,790,000	6,394,000	6,384,000	
University of Wyoming	<u>1,761,000</u>	<u>1,951,000</u>	<u>1,947,000</u>	0
Subtotal	202,110,000	222,855,000	222,570,000	230,882,000
Biotechnology Risk Assessment	1,133,000	873,000	943,000	0
Multistate Research Award Funds	15,000	15,000	0	0
Current Research Information	323,000	0	0	0
System				
Federal Administration	6,214,000	6,854,000	6,854,000	6,898,000
Small Business Innovation	<u>5,220,000</u>	<u>5,737,000</u>	<u>5,966,000</u>	0
Research				
TOTAL	215,000,000	236,334,000	236,334,000	237,780,000

a/Award decisions have not been finalized for FY 2013.

## Summary of Personnel Supported with Hatch Act Funds in Fiscal Year 2011

University/Recipient	State	Hatch Funds	Scientist Support	Professional Support	Technical Support	Clerical Support	Total Support
AUBURN UNIVERSITY	ALA	4,830,512	63.6	119.1	37.9	46.9	267.5
UNIVERSITY OF ALASKA	AK	1,372,897	7.7	1.7	5.7	1.1	16.2
UNIVERSITY OF ARKANSAS	ARK	4,235,897	99.6	244.4	39.5	52.0	435.5
UNIVERSITY OF ARIZONA	ARZT	2,169,922	147.5	200.2	85.0	50.1	482.8
UNIV OF CALIFORNIA	CALB	1,321,848	110.8	174.3	28.6	24.0	337.7
UNIV OF CALIFORNIA (VET-MED)	CALB	33,117	1.0	0.0	4.2	0.0	5.2
UNIVERSITY OF CALIFORNIA	CALB	4,883,048	278.0	1,164.4	159.7	358.2	1,960.3
COLORADO STATE UNIVERSITY	COL	3,217,249	54.0	180.8	36.5	42.6	313.9
CONNECTICUT AGRICULTURAL EXPERIMENT STATION	CONR	965,663	29.4	0.0	15.5	0.0	44.9
UNIV OF CONNECTICUT	CONR	1,265,774	6.1	13.1	1.3	7.5	28.0
UNIV OF THE DISTRICT OF COLUMBIA	DC	474,199	2.6	0.0	2.9	0.0	5.5
UNIVERSITY OF DELAWARE	DEL	1,494,280	25.1	79.8	56.6	0.0	161.5
UNIVERSITY OF FLORIDA	FLA	1,669,661	113.3	127.0	134.0	73.9	448.2
UNIVERSITY OF GEORGIA	GEO	4,449,117	136.5	117.4	110.4	71.7	436.1
UNIVERSITY OF GUAM UOG STATION	GUA	888,557	8.3	2.1	12.3	4.4	27.1
UNIV OF HAWAII	HAW	1,272,156	48.1	19.1	6.9	62.6	136.7
UNIV OF IDAHO	IDA	2,650,531	52.5	35.9	19.9	44.0	152.3
UNIVERSITY OF ILLINOIS	ILLU	6,710,572	99.6	259.8	22.5	39.9	421.8
PURDUE UNIVERSITY	IND	6,266,339	222.6	601.2	93.8	168.0	1,085.6
IOWA STATE UNIVERSITY	IOW	6,077,117	117.7	165.5	6.8	200.2	490.2
KANSAS STATE UNIV	KAN	4,442,437	143.8	207.0	76.0	41.4	468.2
UNIVERSITY OF KENTUCKY	KY	5,170,235	80.5	109.2	151.2	77.2	418.1
LOUISIANA STATE UNIVERSITY	LA B	2,389,389	87.1	95.7	7.0	38.7	228.5
UNIV OF MASSACHUSETTS	MAS	1,828,089	12.7	0.6	2.7	6.7	22.7
UNIV OF MARYLAND	MD	3,037,960	21.2	20.8	13.0	14.2	69.2
UNIVERSITY OF MAINE	ME	2,260,749	29.5	26.4	13.8	15.4	85.1
MICHIGAN STATE UNIV	MICL	5,317,084	141.4	345.1	225.8	230.6	942.9
UNIV OF MINNESOTA	MIN	5,095,746	87.2	180.9	37.8	95.8	401.7
COLLEGE OF MICRONESIA	MIR	697,693	5.5	4.2	2.2	1.1	13.0
MISSISSIPPI STATE UNIV	MIS	4,434,475	57.8	143.1	32.8	160.7	394.4
UNIVERSITY OF MISSOURI	MO	5,692,290	55.2	124.5	13.1	45.4	238.2
MONTANA STATE UNIVERSITY	MONTB	1,817,830	51.1	106.1	47.4	15.0	219.6
NORTH CAROLINA STATE UNIV	NC	6,361,029	155.6	233.8	227.2	35.2	651.0
NORTH DAKOTA STATE UNIV	ND	2,947,037	83.1	162.0	43.8	25.3	314.2
UNIVERSITY OF NEBRASKA	NEB	3,643,548	131.2	291.7	139.9	191.2	754.0
UNIVERSITY OF NEVADA	NEV	1,309,548	7.7	10.5	0.6	0.0	18.8
UNIVERSITY OF NEW HAMPSHIRE	NH	1,938,583	7.3	5.6	0.0	0.0	12.9
RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	NJ	3,312,438	55.2	45.0	27.2	5.7	133.1
NEW MEXICO STATE UNIVERSITY	NM	2,052,276	28.0	16.6	7.1	5.4	57.1
NORTHERN MARIANAS COLLEGE	NMA	78,015	1.6	0.5	1.6	2.0	5.7
CORNELL UNIVERSITY	NY C	5,244,602	27.6	41.5	16.0	134.4	219.5
N Y AGRICULTURAL EXPT STATION	NY G	1,051,830	0.4	6.7	9.6	37.7	54.4
OHIO STATE UNIVERSITY	OHIO	7,486,859	110.0	178.5	68.9	79.3	436.7
OKLAHOMA STATE UNIVERSITY	OKL	4,008,454	80.1	191.1	9.9	2.5	283.6
OREGON STATE UNIVERSITY	ORE	3,707,779	94.5	243.5	17.0	20.8	376.6
PENNSYLVANIA STATE UNIVERSITY	PEN	7,133,625	232.0	274.1	39.9	113.2	659.2
UNIVERSITY OF PUERTO RICO AT MAYAGUEZ	PR	3,775,441	20.3	3.6	12.1	86.6	124.6
UNIVERSITY OF RHODE ISLAND	RI	1,315,557	5.9	1.0	0.0	0.0	6.9
AMERICAN SAMOA COMM COLLEGE	SAM	1,321,186	0.0	0.0	0.0	0.0	0.0
CLEKSON UNIVERSITY	SC	3,440,708	44.3	0.0	71.8	11.8	127.9
SOUTH DAKOTA STATE UNIVERSITY	SD	3,111,028	75.9	116.1	13.0	55.5	260.5
UNIVERSITY OF TENNESSEE	TEN	5,491,117	84.2	216.6	47.2	24.1	372.1
TEXAS A&M UNIVERSITY	TEX	11,219,009	231.8	635.0	88.0	49.1	1,003.9
UTAH STATE UNIVERSITY	UTA	2,279,166	16.4	5.9	1.2	0.1	23.6
VIRGINIA POLYTECHNIC INSTITUTE	VA	4,962,654	80.2	250.9	157.9	38.0	527.0
UNIV OF THE VIRGIN ISLANDS	VI	760,173	2.0	9.0	11.0	1.6	23.6
UNIVERSITY OF VERMONT	VT	1,432,081	10.7	22.2	4.0	4.2	41.1
UNIV OF WISCONSIN	WIS	6,258,358	17.6	66.3	0.8	14.1	98.8
WASHINGTON STATE UNIVERSITY	WN P	4,529,575	94.8	263.8	34.0	28.5	421.1
WEST VIRGINIA UNIVERSITY	WVA	2,807,052	27.9	39.3	0.0	20.5	86.7
UNIVERSITY OF WYOMING	WYO	1,950,690	6.6	5.6	2.5	0.3	15.0
TOTAL		204,241,851	4,130.0	8,204.0	2,555.0	2,978.4	17,868.2

\*Personnel table only shows obligations for salaries. Table does not include obligations for overhead, i.e. supplies and equipment.

## Smith-Lever

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record showing the allocation of Smith-Lever funding per university for fiscal years 2010 through 2013 (estimate). Include the number of personnel supported by the funding for the most recent year the information is available.

Response: Recipients of Smith-Lever funds have the flexibility to distribute funds among research projects, infrastructure, and personnel as they wish to meet the needs of their university. The distribution of these dollars varies from state to state and is provided through FY 2012; please see table below. Recipient institutions complete assembly of personnel data approximately eight months after the close of the fiscal year. Fiscal year 2012 data is being collected now and is not yet available. Fiscal year 2011 personnel data as reported by the institutions is provided for the record.

[The information follows:]

Smith-Lever 3B&amp;C

University/Recipient	FISCAL YEAR 2010	FISCAL YEAR 2011	FISCAL YEAR 2012	FISCAL YEAR 2013
TUSKEGEE UNIVERSITY	817,477	817,377	911,691	-
AUBURN UNIV ALABAMA	7,289,187	7,240,411	7,249,218	-
AMERICAN SAKOK COMMUNITY	928,148	922,092	929,445	-
UNIVERSITY OF ALASKA	1,184,579	1,161,046	1,171,027	-
UNIVERSITY OF ARKANSAS	6,109,705	6,086,710	6,052,806	-
UNIVERSITY OF ARIZONA	2,160,365	2,134,242	2,149,487	-
UNIV OF CALIFORNIA	7,671,905	7,618,497	7,679,293	-
COLORADO STATE UNIVERSITY	3,286,400	3,255,690	3,263,133	-
UNIVERSITY OF THE DISTRICT OF COLUMBIA	1,164,277	1,157,560	1,155,360	-
UNIV OF CONNECTICUT	2,142,874	2,131,815	2,145,240	-
UNIVERSITY OF DELAWARE	1,309,216	1,295,154	1,305,086	-
UNIVERSITY OF FLORIDA	4,895,110	4,765,113	4,771,051	-
UNIVERSITY OF GEORGIA	8,140,304	7,931,125	7,937,929	-
UNIVERSITY OF GUAM	992,314	985,529	993,766	-
UNIVERSITY OF HAWAII	1,350,934	1,342,841	1,337,693	-
UNIV OF IDAHO	2,917,549	2,855,276	2,829,245	-
UNIVERSITY OF ILLINOIS	9,894,305	9,762,419	9,698,622	-
PURDUE UNIVERSITY	9,011,459	8,941,163	8,947,625	-
KOVA STATE UNIVERSITY	9,821,212	9,600,599	9,539,111	-
KANSAS STATE UNIV	5,866,435	5,797,464	5,776,078	-
KENTUCKY STATE UNIVERSITY	20,945	17,798	70,446	-
UNIVERSITY OF KENTUCKY	9,717,448	9,598,393	9,642,512	-
LOUISIANA STATE UNIVERSITY	5,687,551	5,440,237	5,442,740	-
UNIVERSITY OF MASSACHUSETTS	2,649,727	2,636,897	2,652,472	-
UNIV OF MARYLAND	3,427,074	3,379,053	3,387,056	-
UNIVERSITY OF MAINE	2,375,640	2,321,736	2,323,233	-
COLLEGE OF MICRONESIA	1,038,571	1,031,117	1,040,166	-
MICHIGAN STATE UNIV	9,187,338	9,100,333	9,107,734	-
UNIV OF MINNESOTA	9,469,313	9,353,770	9,025,087	-
MISSISSIPPI STATE UNIV	7,056,359	6,969,275	7,288,639	-
UNIVERSITY OF MISSOURI	0,981,084	8,977,575	8,978,554	-
MONTANA STATE UNIVERSITY	2,767,280	2,692,272	2,734,023	-
NORTH CAROLINA STATE UNIV	12,176,590	11,917,461	12,019,689	-
NORTH DAKOTA STATE UNIVERSITY	3,607,827	3,579,130	3,567,978	-
UNIVERSITY OF NEBRASKA	5,263,431	5,207,132	5,219,404	-
UNIVERSITY OF NEVADA	1,284,029	1,273,812	1,265,522	-
UNIVERSITY OF NEW HAMPSHIRE	1,765,576	1,758,430	1,748,424	-
RUTGERS UNIVERSITY	2,779,963	2,767,003	2,771,900	-
NEW MEXICO STATE UNIV	2,269,043	2,209,792	2,177,524	-
NORTHERN MARIANAS COLLEGE	911,968	905,770	913,295	-
CORNELL UNIVERSITY	8,697,134	8,458,978	8,330,763	-
OHIO STATE UNIVERSITY	10,799,385	10,795,757	10,861,701	-
OKLAHOMA STATE UNIVERSITY	5,809,900	5,653,495	5,636,391	-
OREGON STATE UNIVERSITY	3,976,905	3,935,054	3,888,942	-
PENNSYLVANIA STATE UNIVERSITY	10,291,691	10,202,134	10,256,552	-
UNIVERSITY OF PUERTO RICO	6,457,245	6,316,580	6,427,403	-
UNIVERSITY OF RHODE ISLAND	1,097,680	1,091,087	1,099,420	-
CLEMSON UNIVERSITY	5,792,909	5,730,954	5,742,339	-
SOUTH DAKOTA STATE UNIVERSITY	3,704,144	3,603,374	3,606,102	-
UNIVERSITY OF TENNESSEE	9,452,449	9,159,051	9,121,047	-
TEXAS A&M UNIVERSITY	13,291,939	13,161,907	13,137,015	-
UTAH STATE UNIVERSITY	1,917,142	1,926,084	1,836,350	-
VIRGINIA POLY TECH INST	7,393,907	7,266,277	7,236,861	-
UNIVERSITY OF THE VIRGIN ISLANDS	959,371	852,994	960,736	-
UNIVERSITY OF VERMONT	1,878,512	1,862,503	1,859,516	-
UNIV OF WISCONSIN	8,972,834	8,887,557	8,909,619	-
WASHINGTON STATE UNIVERSITY	4,399,342	4,343,440	4,315,700	-
WEST VIRGINIA UNIVERSITY	4,213,649	4,191,229	4,196,278	-
UNIV OF WYOMING	1,646,655	1,633,622	1,636,602	-
<b>SUB-TOTAL</b>	<b>289,342,500</b>	<b>285,201,991</b>	<b>285,365,676</b>	<b>287,710,000</b>
Additional Civil Service Retirement	0	695,069	516,824	0
Workers' Compensation Prg. claims reduction	0	0	0	0
Special Needs Projects	0	0	0	0
<b>TOTAL</b>	<b>\$289,342,500</b>	<b>\$285,897,060</b>	<b>\$285,982,500</b>	<b>\$287,710,000</b>
Federal Administration	8,152,500	8,017,940	8,017,500	8,089,000
<b>TOTAL APPROPRIATION</b>	<b>\$297,500,000</b>	<b>\$293,915,000</b>	<b>\$294,000,000</b>	<b>\$295,799,000</b>

## Smith-Lever 3b&amp;c Dollars Awarded, Expended, and FTEs - FY 2011

Institution/Planned Program/Knowledge Area	Full-Time Equivalent (FTE)
Auburn University	228.3
American Samoa Community College	11.1
Clemson University	124.5
College of Micronesia	40.0
Colorado State University	243.5
University of Delaware	51.6
University of Georgia	93.5
Iowa State University	283.8
Kansas State University	435.0
University of Kentucky	643.0
Louisiana State University	288.2
Michigan State University	187.8
Mississippi State University	244.7
Montana State University	32.9
Cornell University	1,550.1
New Mexico State University	30.0
North Carolina State University	381.0
North Dakota State University	52.8
Northern Marianas College	10.8
Ohio State University	181.0
Oklahoma State University	257.0
Oregon State University	191.7
Pennsylvania State University	418.7
Purdue University	77.4
Rutgers	161.0
South Dakota State University	106.9
Texas A&M University	557.5
University of Alaska	37.4
University of Arizona	48.0
University of Arkansas	382.8
University of California	261.2
University of Connecticut - Storrs	60.8
University of Florida	419.4
University of Guam	27.6
University of Hawaii	46.4
University of Idaho	94.9
University of Illinois	129.8
University of Maine	124.9
University of Maryland	80.0
University of Massachusetts	113.9
University of Minnesota	193.2
University of Missouri	245.0
University of Nebraska	221.0
University of Nevada	30.4
University of New Hampshire	78.2
University of Puerto Rico	167.7
University of Rhode Island	22.4
University of Tennessee	450.0
University of Vermont	61.9
University of Wisconsin	157.9
University of Wyoming	100.0
University of the District of Columbia	52.9
University of the Virgin Islands	32.8
Utah State University	116.0
Virginia Polytechnic Inst. & State University	292.0
Washington State University	532.7
West Virginia University	172.0
<b>Totals</b>	<b>11,637.0</b>

## McIntire-Stennis

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record showing the allocation of McIntire-Stennis funding per university for fiscal years 2010 through 2013 (estimate). Include the number of personnel supported by the funding for the most recent year the information is available.

Response: Recipients of McIntire-Stennis funds have the flexibility to distribute funds among research projects, infrastructure, and personnel as they wish to meet the needs of their university. The distribution of these dollars varies from state to state. Fiscal year 2013 data is being collected now. Please see below. The latest data on personnel supported with McIntire-Stennis funds as reported into the Current Research Information System (CRIS) by recipient institutions is for fiscal year 2011. Fiscal year 2011 personnel data as reported by institutions is provided for the record.

[The information follows:]

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013 a/
Alabama, Auburn University ..	\$644,000	\$623,000	\$521,000	
Alabama, A&M University . . .	138,000	208,000	260,000	
Alabama, Tuskegee University.	138,000	208,000	260,000	
University of Alaska, Fairbanks	639,000	681,000	642,000	
American Samoa Community College . . . . .	59,000	44,000	44,000	
Arizona, Flagstaff Northern Arizona University . . . . .	232,000	241,000	221,000	
Arizona, Tucson-University of Arizona . . . . .	232,000	241,000	221,000	
University of Arkansas, Fayetteville . . . . .	814,000	919,000	921,000	
University of California, California Polytechnic. . .	120,000	129,000	123,000	
California, Humboldt . . . .	120,000	129,000	123,000	
California, Berkeley . . . .	558,000	602,000	575,000	
Colorado State University Fort Collins . . . . .	393,000	422,000	403,000	
Connecticut Agricultural Experiment Station . . . .	203,000	257,000	272,000	
University of Connecticut, Storrs . . . . .	68,000	86,000	91,000	
Delaware, Newark . . . . .	101,000	99,000	115,000	
University of Delaware . . .	11,000	25,000	49,000	
Florida, Gainesville. . . .	686,000	774,000	775,000	
Florida, Florida A&M . . . .	76,000	86,000	86,000	
Georgia, Athens . . . . .	876,000	989,000	991,000	
Georgia, Fort Valley State. .	97,000	110,000	110,000	
University of Guam . . . . .	59,000	44,000	44,000	
University of Hawaii . . . .	218,000	263,000	244,000	
University of Idaho . . . .	586,000	661,000	642,000	
Southern Illinois University	214,000	261,000	261,000	
University of Illinois . . .	214,000	261,000	261,000	
Purdue University . . . . .	481,000	561,000	563,000	
Iowa State University, Ames .	376,000	462,000	463,000	
Kansas State University . .	288,000	343,000	303,000	
Kentucky, Lexington . . . .	513,000	579,000	580,000	
Kentucky, Frankfort . . . .	91,000	102,000	102,000	

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013 a/
Louisiana State University				
Baton Rouge . . . . .	539,000	587,000	555,000	
Louisiana Tech University . .	231,000	252,000	238,000	
Louisiana, Southern Univ. . .	62,000	120,000	168,000	
University of Maine . . . . .	744,000	840,000	842,000	
University of Maryland. . . . .	323,000	362,000	307,000	
Maryland Eastern Shore . . . .	0	40,000	77,000	
University of Massachusetts . .	340,000	422,000	443,000	
Michigan State University . . .	271,000	313,000	314,000	
Michigan Tech University . . . .	271,000	313,000	314,000	
University of Michigan . . . . .	271,000	313,000	314,000	
University of Minnesota . . . . .	674,000	780,000	762,000	
Mississippi State University.	722,000	815,000	817,000	
Mississippi, Alcorn State . . .	180,000	204,000	204,000	
University of Missouri. . . . .	543,000	631,000	632,000	
Missouri, Lincoln University	61,000	70,000	70,000	
Montana State University. . . .	551,000	641,000	662,000	
University of Nebraska. . . . .	270,000	303,000	323,000	
University of Nevada. . . . .	147,000	164,000	124,000	
University of New Hampshire . .	428,000	482,000	483,000	
New Jersey, Rutgers . . . . .	253,000	323,000	343,000	
New Mexico State University . .	340,000	343,000	303,000	
New York, Cornell . . . . .	195,000	230,000	240,000	
New York, State University . .	585,000	690,000	721,000	
North Carolina State Univ.				
Raleigh . . . . .	937,000	1,059,000	1,081,000	
North Dakota State University	165,000	183,000	204,000	
Ohio Agricultural Research and Development Center . . . . .	498,000	581,000	602,000	
Oklahoma State University . . .	516,000	601,000	583,000	
Oregon State University . . . .	920,000	1,078,000	1,061,000	
Pennsylvania State University	639,000	720,000	722,000	
University of Puerto Rico . . .	95,000	104,000	104,000	
University of Rhode Island . . .	112,000	144,000	144,000	
South Carolina, Clemson University . . . . .	727,000	800,000	822,000	
South Dakota State University	182,000	203,000	224,000	
University of Tennessee . . . .	591,000	629,000	665,000	
Tennessee State University . .	66,000	111,000	117,000	
Texas, Stephen F. Austin State University . . . . .	407,000	440,000	441,000	
Texas A&M University . . . . .	407,000	440,000	441,000	
Utah State University . . . . .	288,000	283,000	244,000	
University of Vermont . . . . .	393,000	482,000	503,000	
University of the Virgin Islands	59,000	84,000	44,000	
Virginia Polytechnic Institute	717,000	810,000	811,000	
Virginia State University . . .	80,000	90,000	90,000	
Washington State University . .	398,000	449,000	451,000	
University of Washington . . . .	487,000	549,000	551,000	
West Virginia University, Morgantown . . . . .	496,000	559,000	560,000	
West Virginia University . . . .	55,000	62,000	62,000	
University of Wisconsin . . . . .	674,000	760,000	742,000	
Wyoming . . . . .	235,000	243,000	283,000	
Subtotal . . . . .	27,390,000	31,110,000	31,078,000	32,142,000
Biotechnology Risk Assessment	37,000	37,000	37,000	0
Federal Administration . . . . .	870,000	988,000	988,000	994,000

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013 a/
Small Business Innovation Research . . . . .	703,000	799,000	831,000	0
TOTAL . . . . .	29,000,000	32,934,000	32,934,000	33,136,000

a/ Award decisions have not been finalized for FY 2013.

## Summary of Personnel Supported with McIntire-Stennis Funds in Fiscal Year 2011

University/Recipient	Station	McIntire-Stennis Funds	Scientist Support	Professional Support	Technical Support	Clerical Support	Total Support
TUSKEGEE UNIVERSITY	AL.X	137,977	2.3	3.0	0.0	0.0	5.3
ALABAMA A&M UNIVERSITY	ALAX	141,109	3.7	4.6	0.0	2.0	10.3
AUBURN UNIVERSITY	ALAZ	262,834	11.0	7.7	3.3	0.6	22.6
UNIVERSITY OF ALASKA	ALK	479,047	4.3	1.9	1.5	1.0	8.7
UNIVERSITY OF ARKANSAS	ARK	528,924	5.9	16.4	0.8	2.2	25.3
UNIVERSITY OF ARIZONA	ARZT	200,510	6.8	15.0	5.1	2.6	29.5
NORTHERN ARIZONA UNIVERSITY	ARZZ	240,909	0.0	5.5	0.0	0.0	5.5
UNIV OF CALIFORNIA	CALB	575,699	15.4	25.4	13.1	3.9	57.8
UNIVERSITY OF CALIFORNIA	CALB	26,542	0.1	1.0	0.0	0.7	1.8
CAL POLYTECHNIC STATE UNIV	CALY	122,948	1.1	1.1	0.0	0.8	3.0
HUMBOLDT STATE UNIV	CALZ	105,485	0.6	7.0	0.0	0.0	7.6
COLORADO STATE UNIVERSITY	COL	429,818	1.8	6.3	1.7	0.0	9.8
CONNECTICUT AGRICULTURAL EXPERIMENT STATION	CONH	256,941	5.8	0.0	4.1	0.0	9.9
UNIV OF CONNECTICUT	CONS	50,912	0.4	1.3	0.0	0.3	2.0
UNIVERSITY OF DELAWARE	DEL	92,698	5.6	0.2	2.0	0.0	7.8
DELAWARE STATE UNIVERSITY	DELX	10,646	0.0	0.0	0.0	2.0	2.0
UNIVERSITY OF FLORIDA	FLA	697,049	15.4	11.0	5.5	12.5	44.4
UNIVERSITY OF GEORGIA	GEOZ	733,453	18.5	14.8	12.4	11.7	57.4
UNIVERSITY OF GUAM UOG STATION	GUA	52,854	0.0	0.0	0.1	0.0	0.1
UNIV OF HAWAII	HAW	178,033	4.0	1.7	0.7	2.3	8.7
UNIV OF IDAHO	IDAZ	610,642	5.9	1.3	0.1	0.0	7.3
UNIVERSITY OF ILLINOIS	ILLU	210,249	2.1	4.5	0.0	2.0	8.6
SOUTHERN ILLINOIS UNIV	ILLZ	165,794	2.6	3.5	1.0	0.6	7.7
PURDUE UNIVERSITY	IND	473,891	9.8	30.5	8.1	8.0	56.4
IOWA STATE UNIVERSITY	IOW	248,025	5.6	9.5	0.0	1.0	16.1
KANSAS STATE UNIV	KAN	360,633	2.7	2.0	2.7	1.4	8.8
UNIVERSITY OF KENTUCKY	KY.	549,878	6.0	6.2	0.7	4.2	17.1
KENTUCKY STATE UNIVERSITY	KY.X	1,083	0.0	0.0	0.0	0.0	0.0
LOUISIANA STATE UNIVERSITY	L.A.B	402,577	6.3	1.1	0.0	3.0	10.4
SOUTHERN UNIV	L.A.X	119,898	2.0	0.0	1.0	0.5	3.5
LOUISIANA TECH UNIVERSITY	L.A.Z	251,786	2.3	0.0	0.0	0.6	2.9
UNIV OF MASSACHUSETTS	MAS	315,487	2.3	0.1	0.3	0.8	3.5
UNIV OF MARYLAND	MD.	362,034	1.6	2.2	1.7	2.1	7.6
UNIVERSITY OF MAINE	ME.	781,993	11.8	12.7	4.4	5.0	33.9
MICHIGAN STATE UNIV	MICL	222,853	6.2	15.0	9.8	10.0	41.0
UNIVERSITY OF MICHIGAN	MICY	260,896	1.6	2.0	1.0	2.0	6.6
MICHIGAN TECHNOLOGICAL UNIV	MICZ	229,613	0.0	1.1	1.8	0.0	2.9
UNIV OF MINNESOTA	MIN	521,758	11.5	34.3	0.5	19.6	65.9
FOREST AND WILDLIFE RES CENTER	MISZ	815,081	15.8	53.8	1.5	33.7	104.8
UNIVERSITY OF MISSOURI	MO.	655,894	7.5	9.8	1.0	4.1	22.4
LINCOLN UNIVERSITY	MO.X	13,688	0.2	0.0	0.0	0.0	0.2
UNIVERSITY OF MONTANA	MONZ	488,327	1.8	2.4	5.2	0.0	9.4
NORTH CAROLINA STATE UNIV	NC.Z	866,790	25.3	107.0	1.8	10.8	144.9
NORTH DAKOTA STATE UNIV	ND.	183,467	1.3	3.9	0.7	0.0	5.9
UNIVERSITY OF NEBRASKA	NEB	259,574	3.1	6.9	3.3	4.5	17.8
UNIVERSITY OF NEVADA	NEV	163,577	1.0	1.2	0.0	0.0	2.2
UNIVERSITY OF NEW HAMPSHIRE	NH.	342,064	0.8	0.6	0.0	0.0	1.4
RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY	NJ.	269,849	2.4	0.5	0.4	0.0	3.3
NEW MEXICO STATE UNIVERSITY	NM.	342,588	2.2	3.0	2.2	1.2	8.6
CORNELL UNIVERSITY	NY.C	176,001	1.4	1.7	1.2	4.5	8.8
STATE UNIV OF NEW YORK	NY.Z	715,775	0.0	9.0	1.0	0.0	10.0
OHIO STATE UNIVERSITY	OHO	576,030	6.4	6.7	3.0	4.3	20.4
OKLAHOMA STATE UNIVERSITY	OKL	568,540	6.9	10.6	0.2	0.0	17.7
OREGON STATE UNIVERSITY	OREZ	1,078,523	34.7	88.7	5.9	8.7	138.0
PENNSYLVANIA STATE UNIVERSITY	PEN	563,085	10.1	8.9	0.0	9.8	28.8
UNIVERSITY OF PUERTO RICO AT MAYAGUEZ	PR.	94,961	1.5	0.4	0.4	0.9	3.2
UNIVERSITY OF RHODE ISLAND	RI.	65,396	0.6	0.0	0.0	0.0	0.6
CLEMSON UNIVERSITY	SC.	865,334	5.5	0.0	5.5	2.5	13.5
SOUTH DAKOTA STATE UNIVERSITY	SD.	203,357	1.6	1.3	0.0	0.5	3.4
UNIVERSITY OF TENNESSEE	TEN	656,327	8.1	35.4	6.6	2.4	52.5
TENNESSEE STATE UNIVERSITY	TENX	33,857	0.6	0.0	0.0	0.0	0.6
TEXAS A&M UNIVERSITY	TEX	473,288	3.3	4.9	0.8	0.8	9.8
STEPHEN F. AUSTIN STATE UNIVERSITY	TEXY	163,560	4.2	8.4	0.1	1.9	14.6
UTAH STATE UNIVERSITY	UTA	282,918	2.3	0.2	0.0	0.0	2.5
VIRGINIA POLYTECHNIC INSTITUTE	VA.	810,091	14.9	42.1	5.2	3.9	66.1
VIRGINIA STATE UNIVERSITY	VA.X	24,391	0.0	0.0	0.0	0.2	0.2
UNIV OF THE VIRGIN ISLANDS	VI.	84,017	0.3	1.0	0.1	0.1	1.5

\*Personnel table only shows obligations for salaries. Table does not include obligations for overhead, i.e. supplies and equipment.

Animal Health and Disease

Mr. Aderholt: Please update the chart provided in fiscal year 2013 hearing record showing the allocation of Animal Health and Disease program funding for fiscal years 2010 through 2013 (estimate). Include the number of personnel supported by the funding for the most recent year the information is available.

Response: Recipients of Animal Health and Disease Research funds have the flexibility to distribute funds among research projects, infrastructure, and personnel as they wish to meet the needs of their university. The distribution of these dollars varies from state to state. Recipient institutions complete assembly of personnel data approximately eight months after the close of the fiscal year. Fiscal year 2012 data is being collected now and is not yet available. Fiscal year 2011 personnel data as reported by the institutions is provided for the record.

[The information follows:]

ANIMAL HEALTH AND DISEASE STATE	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013
AL-Auburn University, Agricultural Experiment Station	\$17,894	\$25,075	\$29,559	-
AL-Auburn University, School of Veterinary Medicine	44,553	31,112	40,279	-
AL-Tuskegee University, School of Veterinary Medicine	391	503	4,548	-
AK-University of Alaska, Agricultural Experiment Station	-	-	-	-
AZ-University of Arizona, Agricultural Experiment Station	30,848	31,330	39,353	-
AR-University of Arkansas, Agricultural Experiment Station	55,735	57,571	77,375	-
CA-University of California-Oakland, Agricultural Experiment Station	43,573	54,488	72,572	-
CA-University of California-Davis, School of Veterinary Medicine	202,351	156,599	166,171	-
CO-Colorado State Univ., Agric. Exper. Station & College of Vet. Medicine	170,596	195,261	300,875	-
CT-University of Connecticut-Storrs, Agricultural Experiment Station	18,512	18,215	24,999	-
DE-University of Delaware, Agricultural Experiment Station	9,930	10,485	15,477	-
FL-University of Florida, Agricultural Experiment Station	44,225	46,443	57,135	-
FL-University of Florida, College of Veterinary Medicine	1,171	592	370	-
GA-University of Georgia, Agricultural Experiment Station	10,232	12,837	13,890	-
GA-University of Georgia, College of Veterinary Medicine	69,293	72,513	104,868	-
HI-University of Hawaii, Agricultural Experiment Station	1,733	1,064	1,492	-
ID-University of Idaho, Agricultural Experiment Station	40,715	42,306	49,312	-
IL-Univ. of Illinois, Agric. Exper. Station & College of Vet. Medicine	60,892	54,026	54,753	-
IN-Purdue Univ, Agric. Exper. Station & College of Veterinary Medicine	43,195	46,614	61,011	-
IA-Iowa State University, Agricultural & Home Economics Experiment	42,736	53,812	67,096	-
IA-Iowa State University, College of Veterinary Medicine	53,948	47,375	74,018	-
KS-Kansas State Univ., Agric. Exper. Station & College of Vet. Medicine	86,782	87,447	108,083	-
KY-University of Kentucky, Agricultural Experiment Station	45,308	48,863	64,409	-
LA-Louisiana State University, Agricultural Experiment Station	13,727	13,815	18,648	-
LA-Louisiana State University, College of Veterinary Medicine	15,680	17,973	25,606	-
ME-University of Maine, Agricultural Experiment Station	5,362	5,853	8,372	-
MD-University of Maryland, Agricultural Experiment Station	20,015	22,274	25,123	-
MA-University of Massachusetts, Agricultural Experiment Station	3,152	5,287	9,005	-
MA-Tufts University, School of Veterinary Medicine	35,735	41,042	60,968	-
MI-Michigan State Univ., Agricultural Exper. Station & College of Vet. Med.	62,260	66,851	91,998	-
MI-University of Minnesota, Agricultural Exper. Station	32,757	34,989	49,763	-
MN-Univ. of Minnesota, College of Veterinary Medicine	141,837	110,113	115,584	-
MS-Miss. State Univ., Ag. and Forestry Exper. Sta. & College of Vet. Med.	50,061	52,249	71,251	-
MO-University of Missouri, Agricultural Experiment Station	7,812	6,121	8,464	-
MO-University of Missouri, College of Veterinary Medicine	82,332	92,282	130,161	-
MT-Montana State University, Agricultural Experiment Station	32,823	33,272	45,513	-
NE-University of Nebraska, Agricultural Experiment Station	93,448	98,676	121,650	-
NV-University of Nevada, Agricultural Experiment Station	4,468	4,790	6,132	-
NH-University of New Hampshire, Agricultural Exper. Station	2,927	2,366	3,060	-
NJ-Rutgers University, Agricultural Experiment Station	8,131	8,581	13,346	-
NM-New Mexico State University, Agricultural Exper. Station	22,112	22,438	26,818	-
NY-Cornell University, Agricultural Experiment Station	16,378	13,833	14,384	-
NY-Cornell University, College of Veterinary Medicine	91,139	97,025	120,897	-
NC-North Carolina State University, Agricultural Experiment Station	28,348	40,197	69,345	-
NC-North Carolina State University, College of Veterinary Medicine	80,215	61,841	52,770	-
ND-North Dakota State University, Agricultural Experiment Station	19,073	18,567	22,480	-
OH-Ohio State University, Ohio Agricultural Research & Development Center	19,238	26,778	40,929	-
OH-Ohio State University, College of Veterinary Medicine	27,334	24,517	24,312	-
OK-Oklahoma State Univ., Agric. Exper. Station and College of Vet. Med.	67,354	61,295	68,719	-
OR-Oregon State University, Agricultural Experiment Station	35,758	42,341	63,491	-
PA-Pennsylvania State University, Agricultural Experiment Station	54,538	63,979	78,806	-
PA-University of Pennsylvania, College of Veterinary Medicine	58,803	40,882	43,637	-
PR-University of Puerto Rico, Agricultural Experiment Station	7,144	7,116	7,996	-
RI-University of Rhode Island, Agricultural Experiment Station	1,688	1,689	4,575	-
SC-Clemson University, Agricultural Experiment Station	15,065	16,266	23,458	-
SD-South Dakota State University, Agricultural Experiment Station	34,325	37,153	47,548	-
TN-University of Tennessee, Agricultural Experiment Station	16,845	17,579	31,326	-
TN-University of Tennessee, College of Veterinary Medicine	15,899	13,686	26,949	-
TX-Texas A&M Health Research, Ag. Experiment Station and College of Med.	193,990	182,373	218,949	-
UT-Utah State University, Agricultural Experiment Station	17,995	19,216	20,637	-
VT-University of Vermont, Agricultural Experiment Station	6,201	6,291	9,531	-
VA-VA Polytechnic Institute, Agric. Exper. Station and College of Vet. Med.	36,050	38,797	52,069	-
WA-Washington State University, Agricultural Experiment Station	3,672	3,480	5,290	-
WA-Washington State University, College of Veterinary Medicine	75,305	78,901	106,157	-
WV-West Virginia University, Agricultural & Forestry Experiment Station	5,388	5,249	13,279	-
WI-University of Wisconsin, Agric. Exper. Station & College of Vet. Med.	61,284	60,176	62,209	-
WY-University of Wyoming, Agricultural Experiment Station	17,200	18,308	234,000	-
SUBTOTAL	2,735,240	2,731,058	3,719,180	\$3,738,758
FEDERAL ADMINISTRATION	118,000	117,764	160,000	160,960
Small Business Set-Aside	70,800	70,658	99,840	104,302
Biotech Risk Assessment	25,960	24,620	20,980	19,980
TOTAL	\$ 2,950,000	\$ 2,944,100	\$ 4,000,000	\$ 4,024,000

## Summary of Personnel Supported with Animal Health Funds in Fiscal Year 2011

University/Recipient	Station	Funds	Scientist	Professional	Technical	Clerical	Total
			Support	Support	Support	Support	Support
AUBURN UNIVERSITY	ALA	\$25,075	0.3	0.4	0.1	0.0	0.8
AUBURN UNIVERSITY	ALAV	11,654	7.0	0.0	4.0	1.0	12.0
UNIVERSITY OF ARKANSAS	ARK	57,572	4.2	24.6	16.7	3.3	48.8
UNIVERSITY OF ARIZONA	ARZT	31,330	4.7	9.8	0.0	0.8	15.3
UNIV OF CALIFORNIA	CALB	4,325	0.8	0.1	0.0	0.0	0.9
UNIV OF CALIFORNIA (VET-MED)	CALB	18,708	0.3	0.0	0.0	0.0	0.3
UNIVERSITY OF CALIFORNIA	CALB	9,911	2.1	8.3	1.6	3.2	15.2
UNIV OF CALIFORNIA (VET-MED)	CALV	80,693	1.4	0.0	2.8	0.0	4.2
COLORADO STATE UNIVERSITY	COLV	195,261	108.9	257.1	46.9	83.7	496.6
UNIV OF CONNECTICUT	CONS	18,215	0.1	0.6	0.0	0.3	1.0
UNIVERSITY OF DELAWARE	DEL	10,485	0.0	0.0	0.0	0.0	0.0
UNIVERSITY OF FLORIDA	FLA	43,597	0.5	0.6	0.5	1.2	2.8
UNIVERSITY OF GEORGIA	GEO	12,837	1.1	1.5	2.7	4.0	9.3
UNIVERSITY OF GEORGIA	GEOV	72,513	4.1	2.5	1.3	2.5	10.4
UNIV OF HAWAII	HAW	1,064	0.3	0.2	0.1	0.1	0.7
UNIV OF IDAHO	IDA	42,306	0.0	0.0	0.0	0.0	0.0
UNIVERSITY OF ILLINOIS	ILLU	54,026	0.6	1.5	0.3	0.4	2.8
PURDUE UNIVERSITY	IND	46,613	7.0	17.0	0.0	0.0	24.0
IOWA STATE UNIVERSITY	IOW	53,813	0.0	0.0	0.0	0.1	0.1
IOWA STATE UNIVERSITY	IOWV	47,376	0.0	4.2	0.0	0.0	4.2
KANSAS STATE UNIV	KAN	87,447	0.4	0.3	0.0	0.0	0.7
UNIVERSITY OF KENTUCKY	KY.	48,863	2.0	0.2	0.0	1.2	3.4
LOUISIANA STATE UNIVERSITY	LA.B	4,205	0.3	0.2	0.2	0.3	1.0
LOUISIANA STATE UNIVERSITY	LA.V	17,975	0.3	0.0	0.6	0.0	0.9
UNIV OF MASSACHUSETTS	MAS	5,287	0.0	0.0	0.0	0.1	0.1
TUFTS UNIVERSITY	MASV	41,042	0.0	0.0	0.4	0.0	0.4
UNIV OF MARYLAND	MD.	22,274	0.0	0.0	0.0	0.5	0.5
UNIVERSITY OF MAINE	ME.	5,853	0.5	0.6	0.1	0.1	1.3
MICHIGAN STATE UNIVMICL		66,851	0.6	1.3	0.9	0.9	3.7
UNIV OF MINNESOTA	MIN	34,990	0.7	0.4	0.0	0.9	2.0
UNIV OF MINNESOTA	MINV	110,133	0.2	0.5	0.0	0.0	0.7
MISSISSIPPI STATE UNIV	MISV	52,249	8.4	6.7	7.5	0.0	22.6
UNIVERSITY OF MISSOURI	MO.	6,121	0.0	0.8	0.0	0.3	1.1
UNIVERSITY OF MISSOURI	MO.V	92,282	1.1	0.1	0.0	0.0	1.2
MONTANA STATE UNIVERSITY	MONB	33,272	0.0	0.3	1.2	0.6	2.1
NORTH CAROLINA STATE UNIV	NC.	40,196	2.4	1.9	6.4	0.0	10.7
NORTH CAROLINA STATE UNIV	NC.V	61,841	1.4	2.8	0.3	0.0	4.5
NORTH DAKOTA STATE UNIV	ND.	18,567	1.7	5.9	1.0	0.0	8.6
UNIVERSITY OF NEBRASKA	NEB	98,676	3.5	7.7	3.8	5.1	20.1
UNIVERSITY OF NEVADA	NEV	4,790	0.1	0.0	0.0	0.0	0.1
RUTGERS, THE STATE UNI. OF NEW JERSEY	NJ.	8,581	0.3	0.0	0.1	0.0	0.4
NEW MEXICO STATE UNIVERSITY	NM.	22,438	0.4	0.0	0.0	0.3	0.7
CORNELL UNIVERSITY	NY.C	13,833	0.1	0.0	0.0	0.0	0.1
CORNELL UNIVERSITY	NYCV	97,865	0.1	0.8	0.4	0.0	1.3
OHIO STATE UNIVERSITY	OHO	26,778	0.7	2.0	0.5	0.7	3.9
OHIO STATE UNIVERSITY	OHOV	24,517	0.7	1.5	0.0	0.0	2.2
OKLAHOMA STATE UNIVERSITY	OKL	61,294	2.0	1.3	0.7	0.0	4.0
OREGON STATE UNIVERSITY	ORE	42,341	0.2	0.2	0.0	0.0	0.4
PENNSYLVANIA STATE UNIVERSITY	PEN	63,979	4.9	3.1	0.0	1.4	9.4
UNIV OF PENNSYLVANIA	PENV	40,882	0.7	0.0	0.0	0.0	0.7
UNIVERSITY OF RHODE ISLAND	RI.	1,603	0.0	0.0	0.0	0.0	0.0
CLEMSON UNIVERSITY	SC.	14,355	0.2	0.0	0.5	0.0	0.7
SOUTH DAKOTA STATE UNIVERSITY	SD.	37,153	3.1	1.4	0.2	0.0	4.7
UNIVERSITY OF TENNESSEE	TEN	17,579	0.0	0.6	0.1	0.2	0.9
UNIVERSITY OF TENNESSEE	TENV	12,649	0.0	0.0	0.0	0.0	0.0
TEXAS A&M UNIVERSITY	TEX	168,981	0.0	1.1	0.0	0.0	1.1
UTAH STATE UNIVERSITY	UTA	19,216	0.0	0.0	0.0	0.0	0.0
VIRGINIA POLYTECHNIC INSTITUTE	VA.	38,797	0.8	1.0	0.8	0.1	2.7
UNIVERSITY OF VERMONT	VT.	6,291	0.0	0.0	0.0	0.0	0.0
UNIV OF WISCONSIN	WIS	60,176	0.2	0.6	0.0	0.2	1.0
WASHINGTON STATE UNIVERSITY	WN.P	3,480	1.8	0.0	0.5	0.0	2.3
WASHINGTON STATE UNIVERSITY	WN.V	78,901	0.0	0.2	0.1	0.0	0.3
WEST VIRGINIA UNIVERSITY	WVA	5,249	0.0	0.0	0.0	0.1	0.1
UNIVERSITY OF WYOMING	WYO	18,308	0.6	0.9	0.0	0.0	1.5
<b>TOTAL</b>		<b>2,575,534</b>	<b>183.8</b>	<b>372.8</b>	<b>103.3</b>	<b>113.6</b>	<b>773.5</b>

\*Personnel table only shows obligations for salaries. Table does not include obligations for overhead, i.e. supplies and equipment.

Evans-Allen

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record showing the allocation of Evans-Allen funding per university for fiscal years 2010 through 2013 (estimate). Include the number of personnel supported by the funding for the most recent year the information is available.

Response: Recipients of Evans-Allen funds have the flexibility to distribute funds among research projects, infrastructure, and personnel as they wish to meet the needs of their university. The distribution of these dollars varies from state to state. Fiscal year 2013 data is being collected now. Please see below. The latest data on personnel supported with Evans-Allen funds as reported into the Current Research Information System (CRIS) by recipient institutions is for fiscal year 2011. Fiscal year 2011 personnel data as reported by the institutions is provided for the record.

[The information follows:]

	<u>Fiscal</u> <u>Year 2010</u>	<u>Fiscal</u> <u>Year 2011</u>	<u>Fiscal</u> <u>Year 2012</u>	<u>Fiscal</u> <u>Year 2013</u>
Alabama A&M University . . .	\$2,502,000	\$2,627,000	\$2,624,000	
Tuskegee University. . . . .	2,483,000	2,607,000	2,605,000	
University of Arkansas-Pine Bluff. . . . .	2,153,000	2,254,000	2,252,000	
Delaware State University. . .	1,193,000	1,226,000	1,225,000	
Florida A&M University . . . .	1,976,000	2,081,000	2,079,000	
Fort Valley State University	2,863,000	3,005,000	3,002,000	
Kentucky State University. . .	3,414,000	3,590,000	3,587,000	
Southern University. . . . .	1,914,000	1,998,000	1,996,000	
University of Maryland-Eastern Shore . . . . .	1,442,000	1,507,000	1,506,000	
Alcorn State University. . . .	2,383,000	2,487,000	2,484,000	
Lincoln University . . . . .	3,360,000	3,542,000	3,539,000	
North Carolina A&T State University . . . . .	3,951,000	4,131,000	4,128,000	
Langston University. . . . .	2,188,000	2,307,000	2,305,000	
South Carolina State Univ. . .	2,137,000	2,237,000	2,235,000	
Tennessee State University . .	3,118,000	3,273,000	3,270,000	
Prairie View A&M University. .	4,606,000	4,879,000	4,875,000	
Virginia State University. . . .	2,661,000	2,790,000	2,788,000	
West Virginia State Univ. . . .	<u>1,407,000</u>	<u>1,478,000</u>	<u>1,476,000</u>	
Subtotal . . . . .	45,751,000	48,019,000	47,977,000	49,673,000
Small Business Innovation Research . . . . .	1,176,000	1,234,000	1,284,000	
Current Research Information System . . . . .	48,000	0	0	0
Biotech Risk Assessment. . . .	70,000	118,000	110,000	
Federal Administration . . . .	<u>1,455,000</u>	<u>1,527,000</u>	<u>1,527,000</u>	<u>1,536,000</u>
Total, Evans-Allen Program	48,500,000	50,898,000	50,898,000	51,209,000

Summary of Personnel Supported at 1890 Institutions with Evans-Allen Funds in Fiscal Year 2011

University/Recipient	Station	Funds	Scientist Support	Professional Support	Technical Support	Clerical Support	Total Support
TUSKEGEE UNIVERSITY	AL. X	2,607,400	30.5	57.3	1.1	7.7	96.6
ALABAMA A&M UNIVERSITY	ALAX	1,996,409	15.6	41.7	5.0	3.1	65.4
UNIV OF ARKANSAS	AR. X	2,039,322	9.9	10.1	4.6	4.1	28.7
DELAWARE STATE UNIVERSITY	DELX	1,286,912	6.5	1.2	1.1	14.2	23.0
FLORIDA A&M UNIVERSITY	FLAX	1,524,072	8.5	2.0	3.0	10.5	24.0

FORT VALLEY STATE UNIVERSITY	GEOR	3,004,511	6.4	3.8	0.3	1.0	11.5
KENTUCKY STATE UNIVERSITY	KY.X	2,727,434	18.1	8.3	0.0	0.0	26.4
SOUTHERN UNIV	LA.X	1,997,921	9.8	9.0	15.5	6.1	40.4
UNIV OF MARYLAND EASTERN SHORE	MD.X	1,418,866	3.3	5.6	4.8	1.5	15.2
ALCORN STATE UNIVERSITY	MISX	2,671,246	7.7	9.0	1.0	25.0	42.7
LINCOLN UNIVERSITY	MO.X	3,479,596	15.2	6.9	34.6	2.6	59.3
NORTH CAROLINA A&T STATE UNIV	NC.X	3,932,869	17.0	29.4	21.2	24.3	91.9
LANGSTON UNIVERSITY	OKLX	1,603,720	13.6	3.2	0.0	3.1	19.9
SOUTH CAROLINA STATE UNIVERSITY	SC.X	1,085,659	20.0	8.0	19.9	0.0	47.9
TENNESSEE STATE UNIVERSITY	TENX	761,632	11.2	7.5	1.9	0.0	20.6
PRAIRIE VIEW A&M UNIVERSITY	TEXX	4,885,181	3.5	3.5	3.5	7.0	17.5
VIRGINIA STATE UNIVERSITY	VA.X	1,641,570	10.3	4.8	15.6	6.0	36.7
WEST VIRGINIA STATE UNIVERSITY	WVAX	1,258,874	2.9	0.5	5.0	14.9	23.3
<b>TOTAL</b>		<b>39,923,194</b>	<b>210.0</b>	<b>211.8</b>	<b>138.1</b>	<b>131.1</b>	<b>691.0</b>

\*Personnel table only shows obligations for salaries. Table does not include obligations for overhead, i.e. supplies and equipment.

#### 1890 Institutions

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record showing funding provided to 1890 institutions for fiscal years 2010 through 2013 (estimate). Include the number of personnel supported by the funding for the most recent year the information is available.

Response: Recipients of 1890 Institutions funds have the flexibility to distribute funds among research projects, infrastructure, and personnel as they wish to meet the needs of their university. The distribution of these dollars varies from state to state. Fiscal Year 2013 data is being collected now. Please see below.

[The information follows:]

	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2012</u>	<u>Fiscal Year 2013</u>
Alabama A&M University . . .	\$2,116,000	\$2,111,000	\$2,111,000	
Tuskegee University. . . . .	2,116,000	2,111,000	2,111,000	
University of Arkansas-Pine Bluff . . . . .	1,854,000	1,851,000	1,851,000	
Delaware State University. .	1,163,000	1,162,000	1,162,000	
Florida A&M University . . .	1,814,000	1,811,000	1,811,000	
Fort Valley State University	2,529,000	2,523,000	2,523,000	
Kentucky State University. .	3,162,000	3,156,000	3,156,000	
Southern University. . . . .	1,659,000	1,656,000	1,656,000	
University of Maryland-Eastern Shore . . . . .	1,316,000	1,314,000	1,314,000	
Alcorn State University. . .	1,980,000	1,976,000	1,976,000	
Lincoln University . . . . .	3,191,000	3,184,000	3,184,000	
North Carolina A&T State University . . . . .	3,583,000	3,577,000	3,577,000	
Langston University. . . . .	1,955,000	1,951,000	1,951,000	
South Carolina State Univ. .	1,819,000	1,815,000	1,815,000	
Tennessee State University .	2,807,000	2,802,000	2,802,000	
Prairie View A&M University.	4,194,000	4,184,000	4,184,000	
Virginia State University. .	2,369,000	2,364,000	2,364,000	
West Virginia State Univ. .	<u>1,343,000</u>	<u>1,341,000</u>	<u>1,341,000</u>	
Subtotal . . . . .	40,970,000	40,888,000	40,888,000	41,139,000
Federal Administration . . .	<u>1,707,000</u>	<u>1,704,000</u>	<u>1,704,000</u>	<u>1,714,000</u>
Total . . . . .	42,677,000	42,592,000	42,592,000	42,853,000

## 1994 Institutions

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record showing the funding provided to 1994 institutions for fiscal years 2010 through 2013 (estimate). Include the number of personnel supported by the funding for the most recent year the information is available.

Response: This information is provided for the record. No personnel were supported in the most recent reporting year available.

[The information follows:]

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013 a/
Dine` College, Arizona	\$85,000	\$85,000	\$85,000	
Tohono O'odoom Community College Arizona	85,000	90,000	90,000	
Haskell Indian Nations University, Kansas	85,000	80,000	80,000	
Bay Mills Community College, Michigan	184,467	95,000	95,000	
Saginaw Chippewa Tribal College, Michigan	100,000	100,000	100,000	
Leech Lake Tribal College, Minnesota	85,000	90,000	90,000	
White Earth Tribal and Community College, Minnesota	85,000	100,000	100,000	
Fond du Lac Tribal College, Minnesota	100,000	175,000	175,000	
Blackfeet Community College, Montana	196,543	90,000	90,000	
Chief Full Knife College, Montana	85,000	100,000	100,000	
Aaniih Nakoda College, Montana	85,000	100,000	100,000	
Fort Peck Community College, Montana	267,260	100,000	100,000	
Little big Horn College, Montana	85,000	85,000	99,000	
Salish Kootenai College, Montana	100,000	185,000	185,000	
Stone Child College, Montana	299,709	175,000	175,000	
Little Priest Tribal College, Nebraska	100,000	100,000	100,000	
Nebraska Indian Community College, Nebraska	100,000	90,000	90,000	
Institute of American Indian Arts, New Mexico	85,000	100,000	100,000	
Navajo Technical College, New Mexico	100,000	185,000	185,000	
Southwestern Indian Polytechnic Institute, New Mexico	185,000	180,000	180,000	
Cankdeska Cikana Community College, North Dakota	85,000	181,000	181,000	
Fort Berthold Community College,	85,000	185,000	185,000	

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013 a/
North Dakota				
Sitting Bull College, North Dakota	85,000	185,000	185,000	
Little Mountain Community College, North Dakota	200,000	100,000	100,000	
Lac Courte Oreilles Ojibwa Community College, Inc.	0	185,000	100,000	
United Tribes Technical College, North Dakota	100,000	185,000	185,000	
Ilisagvik College	0	0	85,000	
Oglala Lakota College, South Dakota	200,000	100,000	100,000	
Sinte Gleska University, South Dakota	100,000	100,000	100,000	
Sisseton Wahpeton College, South Dakota	85,000	85,000	85,000	
Northwest Indian College, Washington	300,000	340,000	340,000	
College of Menominee Nation, Wisconsin	185,000	90,000	90,000	
Lac Courte, Oreilles Ojibwa Community College, Wisconsin	<u>200,000</u>	<u>85,000</u>	<u>85,000</u>	<u>0</u>
Subtotal	4,122,979	4,126,000	4,140,000	4,164,000
Federal Administration	173,000	172,000	172,000	174,000
Peer Panel Costs	25,021	14,000	0	0
Total	4,321,000	4,312,000	4,312,000	4,338,000
a/ Award decisions have not been finalized.				

## Native American Institutions Endowment Fund

Mr. Aderholt: Please update the Committee on the status of the Native American Institutions Endowment Fund for fiscal years 2009 through 2013 (estimate). Include a chart of the endowment's earned interest and the allocation to universities.

Response: The interest earned during FY 2009 was distributed through grants during FY 2010, and FY 2010 interest earned was distributed during FY 2011. Interest earned during FY 2011 was distributed during 2012. Interest earned during 2012 will be distributed in FY 2013. The interest-earned in 2012 that will be available in FY 2013 is \$4,945,750. Information on allocation for FYs 2009 through 2013 is provided for the record.

[The information follows:]

National Institute of Food and Agriculture  
Native American Institutions Endowment Fund Interest  
Funding History

Institutions	Fiscal Year 2009 Actual	Fiscal Year 2010 Actual	Fiscal Year 2011 Actual	Fiscal Year 2012 Actual	Fiscal Year 2013 (Est.)a/
Aaniiih Nakoda College	0	0	0	\$101,197	0
Bay Mills Community College	\$88,748	\$100,276	\$97,494	116,937	0
Blackfeet Community College	133,266	145,560	151,175	155,854	0
Candeska Cikana Community College	79,713	89,090	87,419	100,678	0
Chief Dull Knife College	78,727	88,188	88,993	92,894	0
College of Menominee Nation	99,754	139,967	123,154	138,212	0
Crownpoint Institute of Technology	126,202	145,019	0	0	0
Dine' College	299,509	307,397	302,144	395,241	0
D-Q University	0	0	0	0	0
Fond du Lac Tribal and Community College	90,555	88,729	81,437	106,905	0
Fort Belknap College	78,235	86,384	82,382	0	0
Fort Berthold Community College	84,313	98,291	94,031	94,278	0
Fort Peck Community College	104,190	127,338	116,227	130,082	0
Haskell Indian Nations University	210,967	231,079	229,572	245,970	0
Ilisagvik College, AK	60,165	86,384	71,362	78,712	0
Institute of American Indian Arts	84,970	96,126	90,410	97,045	0

Institutions	Fiscal Year 2009 Actual	Fiscal Year 2010 Actual	Fiscal Year 2011 Actual	Fiscal Year 2012 Actual	Fiscal Year 2013 (Est.) a/
Lac Courte Oreilles Ojibwa Community College	107,639	115,431	108,514	107,769	0
Leech Lake Tribal College	83,327	89,090	87,262	87,359	0
Little Big Horn College	102,383	118,318	122,997	137,001	0
Little Priest Tribal College	61,150	71,589	69,945	75,253	0
Navajo Technical College	0	0	181,558	236,111	0
Nebraska Indian Community College	61,315	69,244	71,677	75,597	0
Northwest Indian College	152,979	159,994	213,043	173,324	0
Oglala Lakota College	220,987	259,585	269,871	301,838	0
Saginaw Bay Chippewa Tribal College	57,866	66,898	65,537	70,927	0
Salish Kootenai College	157,085	184,531	238,860	209,474	0
Si Tanka University	0	0	0	0	0
Sinte Gleska University	161,028	181,103	168,492	167,097	0
Sisseton Whapeton Community College	75,442	85,121	81,280	89,608	0
Sitting Bull College	96,469	111,101	104,421	116,245	0
Southwest Indian Polytechnic Institute	166,120	176,051	164,084	193,907	0
Stone Child College	95,319	110,380	104,736	115,726	0
Tohono O'Odham Community College	66,571	73,213	72,779	80,614	0
Turtle Mountain Community College	162,835	176,592	162,195	199,961	0
United Tribes Technical College	161,849	154,041	165,658	190,275	0
White Earth Tribal and Community College	60,165	64,012	66,010	71,274	0
Subtotal, Interest Payments to Colleges	3,669,843	4,096,122	4,134,719	4,553,365	4,751,087
Federal Administration	152,910	170,672	172,280	168,319	197,962
Total Endowment Interest	3,822,753	4,266,794	4,306,999	4,721,684	4,949,049

a/\$257,004 is temporarily not available due to sequestration.

#### Formula Funds and Competitive Funds

Mr. Aderholt: Please provide a comparison of total formula funds and competitive funds per year for fiscal years 2008 through 2013.

Response: The information is submitted for the record.

[The information follows:]

NIFA Discretionary Appropriations  
(Millions)

	2008	2009	2010	2011	2012
Competitive	\$369	\$387	\$476	\$444	\$431
Formula	650	686	712	736	737
Other	161	153	164	40	39
Endowment Funds*	(12)	(12)	(12)	(12)	(12)
Total**	1,180	1,126	1,352	1,220	1,207

The amounts for 2013 are not available.

\*Endowment Funds - these appropriated funds are invested.

\*\*Includes estimated interest on Tribal College Endowment Funds.

1890 Institutions

Mr. Aderholt: Please provide for the record a list of all competitive research, education and integrated grants received by 1890 institutions for fiscal years 2008 through 2012. Include the award amount and purpose of the grant.

Response: The information is provided for the record.

[The information follows:]

Purpose	Recipient	Amount
<b>FY 2008</b>		
Cumulative Effects of Drought and Urbanization on the Flint River Watershed Ecosystem: Integrated Research, Education, and Extension	Alabama A & M University	\$521,222
Community Outreach for Small and Limited Resource Farmers and Ranchers	Alabama A & M University	300,000
On-line Dual Credit Partnerships and Recruiting for 21st Century Professionals in Food and Agricultural Science	Alabama A & M University	199,592
Advancing Food Science in Pre- and Post Secondary Education	Alabama A & M University	199,628
Strengthening the Preparation of Underrepresented Minorities for Entrance into Family and Consumer Sciences Professions	Alabama A & M University	195,340
Enhancement of Student Participation and Career Development in Nanobiotechnology	Alabama A & M University	197,906
Small Farm Outreach Training and Technical Assistance Project	Alcorn State University	299,331
Development of Virus Resistant Sweet Potato Varieties through Biotechnology Approach	Alcorn State University	292,076
NET: Dev., Implementation and Evaluation of Educational Program for Promoting Healthy Eating Choices and Preventing Weight Gain in Adolescents	Delaware State University	50,000
Persistence of Enteric Viruses in Oysters ( <i>Crassostrea virginica</i> )	Delaware State University	100,000
Efficient Production of Ethanol from Transgenic Self-Processing Cassava ( <i>Manihot esculenta</i> Crantz) Plants	Delaware State University	99,992

Purpose	Recipient	Amount
From the Farm to the Runway	Delaware State University	299,512
Curriculum and Outreach Materials Development for Plant Science	Delaware State University	184,386
Use of Legume Comparative Genomics for Understanding Common Bean Rust Resistance	Delaware State University	299,901
Providing Socially Disadvantaged Minority Farmers with Technical Training to Produce, Value-Added and Market Alternative/Specialty Crops	Florida A & M University	299,835
Characterization of Organic Matter in Forest Fire for Emission Factors Assessment and Source Tracing	Florida A & M University	251,960
A Collaborative Effort To Increase Minorities In Graduate Environmental Sciences Education	Florida A & M University	198,749
Development of a Regulatory Plant Science Curriculum at Florida A&M University	Florida A & M University	199,754
The Development of A Raspberry Genetic Improvement Program	Florida A & M University	299,782
Developing a Prototype Digital Commodity-Based Identification Resource for Pests: A Model Using Cultivated Palms	Florida A & M University	299,996
Scutellaria as a medicinal crop: Cryopreservation, hairy root culture, organic farming and anticancer activity	Fort Valley State University	434,258
Integrated Approaches to Improving Ethanol Production from Pearl Millet a Crop for Marginal Lands	Fort Valley State University	499,966
Mentoring for Academic Success: An Approach for Recruiting and Retaining Minority Family and Consumer Sciences Majors at KSU	Kentucky State University	200,000
Creation of Summer Educational Opportunities in Biotechnology to Recruit Students and Enhance STEM Areas at Kentucky State University	Kentucky State University	199,293
Development of a Master's in Environmental Studies Degree Program & Graduate Student Recruitment & Retention at Kentucky State University	Kentucky State University	200,000
Establishing a Pilot Tannery and Capability for Goat Leather Research at Langston University	Langston University	300,000
Boer Goat Selection for Residual Feed Intake	Langston University	300,000
Using Experiential Learning in Natural Resources to Mentor Students' Professional Development	Lincoln University	199,433
Nano-Biotechnology	Lincoln University	193,728
Reducing Arsenic Uptake by Domestic Rice Plants	Lincoln University	467,435
Recruitment and Retention Strategies for Educating Students for Successful Careers in Agribusiness	North Carolina A & T State University	255,746
Interdisciplinary Project-based Course Modules Development and Incorporation to improve the Earth Science Program and Student Recruitment	North Carolina A & T State University	199,322

Purpose	Recipient	Amount
An Integrated Process for Production of Ethanol and Bio-based Products from Lignocellulosic Biomass	North Carolina A & T State University	499,272
Upgrading and Equipping Animal Science Instructional Laboratory	Prairie View A & M University	199,996
Project "PAW PALS": A Campus Wellness Program	Prairie View A & M University	157,698
Recruitment and Training of Under-represented Minorities into Agribusiness Careers	South Carolina State University	199,653
Enhancing the Teaching Capacity of Urban Forestry Program at Southern University and A&M College	Southern University	199,650
Salvaging Craw-Crab Offal in Organic Production Systems (SCOOPS)	Southern University	269,685
Adaptability, Flavonoid Properties and Value Addition of Hibiscus sabdariffa	Southern University	450,000
Application of Nanotechnology in Forest Health Management	Southern University	448,877
Training in the Areas of Conservation and Environmental Stewardship, Farm Safety, Bio-security Issues, and Financial and Risk Management	Tennessee State University	300,000
Training in Information Technologies to Enhance Agricultural Instruction, Research and Outreach	Tennessee State University	200,000
A Genomic and Proteomic Search for Segregating Adipose Genes in Broilers	Tennessee State University	291,990
Developing Pigeonpea as a Viable Cash Crop on Small Farms	Tennessee State University	500,000
Developing Pigeonpea as a Viable Cash Crop on Small Farms	Tennessee State University	500,000
Small Farm Training and Technical Assistance Project	Tuskegee University	300,000
Tuskegee University Undergraduate Program in Public Health Nutrition (UPPHN)	Tuskegee University	200,000
Interdisciplinary Experiential Natural Resource Learning Opportunities	Tuskegee University	200,000
Biosensor for Rapid, Sensitive and Specific Detection of Avian Influenza Virus H5N1	University of Arkansas	375,000
Training and Technical Assistance for Socially Disadvantaged Farmers in Central and Southwest Arkansas	University of Arkansas at Pine Bluff	300,000
Development of Drought Tolerant Sweet Potato for Hot-Humid Southeast Arkansas and North Mississippi and Transfer of Technology to Farmers	University of Arkansas at Pine Bluff	100,000
Identification, Assessment, and Delivery of Food Safety Education and Training for Food Service Institutions in the Mississippi Delta	University of Arkansas at Pine Bluff	100,000
Establishment of a Modern Educational Laboratories in Integrative Physiology Fishes	University of Arkansas at Pine Bluff	48,720
Enhancing Ichthyology Training, Teaching, and Museum Collections	University of Arkansas at Pine Bluff	199,041
Increasing the Number of Minority Food	University of	194,181

Purpose	Recipient	Amount
Inspectors through Mentoring and Career-Oriented Experiential Learning at the University of Arkansas	Arkansas at Pine Bluff	
Enhancing New Fashion Merchandising Faculty Expertise for Quality Curriculum Development	University of Maryland Eastern Shore	50,000
Strengthening the International Capacity of University of Maryland Eastern Shore Students and Faculty: A Belize Field Experience	University of Maryland Eastern Shore	199,926
Identification and Characterization of Biological Control Agents for Lepidopterous Pest in Delmarva Ecosystem	University of Maryland Eastern Shore	92,933
Effect of management practices on alpaca fiber production	Virginia State University	498,886
FY 2009		
Enhancing and Sustaining Profitability of Minority and Underserved Farmers and Ranchers in Alabama	Alabama A & M University	\$300,000
Strengthening Soil Science Research and Training at 1890 Land-Grant Universities	Alabama A & M University	10,000
Technical Assistance and Outreach for Socially Disadvantaged Farmers in Delaware	Delaware State University	299,908
Evaluate the health benefit of Njansa Oil Seed through its effect on Expression genes involve Lipid Biosynthesis in Hen.	Delaware State University	99,993
New and Beginning Farmer Training Program	Florida A & M University	225,079
Landowner Initiative for Forestry Education (LIFE)	Fort Valley State University	300,000
Assisting Soc. Disadv. Farmers Who Grow Vegetables to Improve their Prod., business and Marketing Practices to Insure a Safer Food Supply	Kentucky State University	300,000
Mobilizing Against Threats to Small Producers (MATS)	Langston University	300,000
Financial Management Assistance to Small Producers (FiMASP)	Langston University	300,000
Viability of Beginning Farmers and Ranchers Project (ViBEF)	Langston University	525,000
Empowering Socially Disadvantaged Farmers and Ranchers in Missouri with Sustainable Agriculture Techniques and Appropriate USDA Outreach Pro	Lincoln University	300,000
Responding to the Needs of Socially Disadvantaged Livestock Producers	North Carolina A & T State University	300,000
Enhancing the Income of Small and Medium Sized Farms by Strategic Year-Round Production.	North Carolina A & T State University	100,000
Expansion of Ethanol Production: Evaluation of Costs and Benefits to Rural Communities in the Upper Mississippi River Basin	North Carolina A & T State University	608,240
Farm Outreach Program	Prairie View A & M University	299,972

Purpose	Recipient	Amount
Partnership for Building Capacity of Socially Disadvantaged Farmers and Ranchers in South Carolina	South Carolina State University	300,000
Promoting Diversity in the Agribusiness Profession: Multicultural Scholars Program at SC State University	South Carolina State University	120,000
Small Farmer Agricultural Leadership Institute - Class III	Southern University	300,000
An Innovative Approach for Integrating Health Care Providers into Food Borne Illness Prevention for Older Adults	Tennessee State University	599,868
Introducing Commercial Meat Goat Production to Minority Farmers in Tennessee and Alabama	Tennessee State University	300,000
Small Farm Outreach, Training and Technical Assistance Project	Tuskegee University	300,000
Sustainable Development for Alabama's Black Belt: Linking Socio-economic, Institutional, and Environmental Factors	Tuskegee University	100,000
Using USDA Programs & Extension Practices to Help Socially Disadvantaged Producers Maintain their Farms	University of Arkansas at Pine Bluff	300,000
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	University of Maryland Eastern Shore	300,000
Small Farm Outreach and Technical Assistance for Socially Disadvantaged Farmers in Virginia	Virginia State University	299,880
Virginia State University Multicultural Scholars Program (VSU-MSP)	Virginia State University	72,000
FY 2010		
Academic Enhancement Program for Preparing Human Capital for 21st Century Careers	Alabama A & M University	\$149,977
Enhancement of Minority Participation in Functional Food Product Development in Food Science Programs	Alabama A & M University	140,851
Community Planning Approaches for Strengthening Global and Local Food Systems Security	Alabama A & M University	140,841
Enhancement of Minority Student Participation in Food Safety	Alabama A & M University	140,848
Entrepreneurship and Local Economic Development: An Education Program for Disadvantaged Communities	Alabama A & M University	598,515
Interactive 3-D Game-Based Mobile Water Conservation Learning Lab	Alabama A & M University	299,995
Enhancing Experiential Education across the Animal Science Curriculum at Alcorn State University	Alcorn State University	149,450
Establishing an Advanced Plant Pathology course to strengthen agriculture related education at Alcorn State University	Alcorn State University	146,125
Enhancing Global Perspectives Using Videoconferencing and Experiential Learning	Alcorn State University	149,997
Population monitoring and alternate control methods of vegetable insects	Alcorn State University	185,475
Developing an Agronomic Practice to Increase	Alcorn State	298,854

Purpose	Recipient	Amount
the Net Return from Sweet Potato	University	
Experiential Learning in Agriculture and Natural Resources at Delaware State University	Delaware State University	146,700
Enhancing Geographic Information System Education and Delivery through Collaboration: Curricula Design, Faculty, Staff, and Student Training	Delaware State University	299,996
A geospatial teaching laboratory for student education	Delaware State University	140,978
Enhancing and Enriching the DSU Didactic Program in Dietetics	Delaware State University	149,253
Outreach-incorporated studies of reforestation and soil conservation on Delaware marginal land	Delaware State University	299,997
Genetics to Control Parasites in Goats and Establishment of a Small Ruminant Parasitology Resource in Delaware	Delaware State University	199,628
Addressing The Needs Of High-Risk Small Flock & Niche Market Poultry Flocks By Establishing The Center For Small Flock Res. & Innovation	Delaware State University	199,886
Directing the Metabolic Flux Towards Overexpression of Flavonoid Nutraceuticals in Muscadinia Grape	Florida A & M University	125,000
Computing Solutions for Enhanced Teaching and Learning in the Biological and Agricultural Systems Engineering Mobile Classroom Environment	Florida A & M University	149,965
Empowering the Students to Decisiveness - FAMU Summer Biotech Academy	Florida A & M University	149,719
Establishment of Veterinary Technology Track: Cultivating Pre-vet./Veterinary Tech. Professionals to Satisfy the Need of the 21st century	Florida A & M University	463,576
Study Abroad: Achieving an International Perspective on Agriculture and Natural Resources in South Africa	Florida A & M University	300,000
Surveying Human Subjects: A Teaching Application Using Environmental and Natural Resource Economics	Florida A & M University	149,227
Genetical Enhancement Of American Native Grapes For Overexpression Of Flavonoid Nutraceuticals	Florida A & M University	299,945
Building Capacity of the Soil and Water Analysis Laboratory at Florida A&M University	Florida A & M University	290,460
Strengthening Developmental Biology Research at FAMU to Enhance Muscadine Grape Berry Quality and Value-Added Characteristics	Florida A & M University	299,999
Biological Assessment of Headwater Streams in Ravine Ecosystems of Northwest Florida	Florida A & M University	298,748
Towards Understanding Mechanisms of Host Resistance to Downy Mildew Disease of Grapevine (Vitis L.)	Florida A & M University	299,765
CESTA Summer Youth Development Institute: (In Search of the Next George Washington Carver)	Florida A & M University	199,425
FAMU Rural Youth Entrepreneurial Project	Florida A & M University	200,000

Purpose	Recipient	Amount
Strengthening Food Technology Program at Fort Valley State University	Fort Valley State University	140,639
Enhancing Recruitment, Retention and Graduation of Underrepresented Minorities for Successful Professional Careers in Agricultural Economics	Fort Valley State University	149,842
Evaluation of In-Field Production of Ethanol from Sweet Sorghum	Fort Valley State University	299,286
Integrated Sustainable Aquaculture Research and Teaching for Rural Communities and their Economies	Kentucky State University	498,324
Kentucky State University Center For Family Nutrition and Wellness Education	Kentucky State University	200,000
Management Education for Goat and Sheep Producers in a Bearish Economy	Kentucky State University	187,914
A Mobile Kitchen for Fruit and Vegetable Processing Training and Extension Initiatives for Pawpaw and Sorghum Syrup	Kentucky State University	300,000
A Mobile Kitchen for Fruit and Vegetable Processing Training and Extension Initiatives for Pawpaw and Sorghum Syrup	Kentucky State University	300,000
Undergraduate Research Experience in Agbiotechnology at Langston University	Langston University	149,996
Establishing A Langston University Testing Center For Electric Fence Modifications Of Cattle Barb Wire Fence For Goat Containment	Langston University	300,000
Effects of Selected Nutritional Components on Immunity to Haemonchus in Goats	Langston University	299,950
Training Farmer Educators on Goat Mortality and Butcher Waste Composting, A Regional Approach	Langston University	279,614
Enhancing Production Capabilities of Socially Disadvantaged and Underserved Farmers via Low-Literacy Meat Goat Production Training Materials	Langston University	282,000
Urban AG Connections: An Integrated Model for Implementing School-Based Urban Agriculture, Nutrition Education and Farm-to-School Programs	Langston University	600,000
Attracting Minority Students to Environmental Science	Lincoln University	140,617
Tracking Dissolved Organic Nitrogen in Terrestrial Aquatic Systems Using Fluorescence EEM Spectroscopy	Lincoln University	499,369
Microalgae-Based Biofuels and Bioproducts	Lincoln University	499,984
Gardening as a Therapy to Improve Physical and Mental Health	Lincoln University	562,943
Enhancing Communication, Design, and Critical Thinking Skills of Students through Problem Solving and GIS Applications in Natural Resources	North Carolina A & T State University	149,977
Development of integrated food protection and defense education and extension program for students and professionals in 1890 universities	North Carolina A & T State University	138,755
Developing a Global Campus for School of Agriculture and Environmental Sciences	North Carolina A & T State University	140,188

Purpose	Recipient	Amount
Preparing Undergraduate and SET 4-H Students for the Global Workplace Through Enhanced Technology	North Carolina A & T State University	300,000
Promoting Healthy Lifestyles through Smart Kitchen-Laboratory Design	North Carolina A & T State University	149,997
Permaculture Laboratory for Teaching and Recruiting Agriculture Majors	North Carolina A & T State University	149,999
Food and agricultural byproduct-based biochars for enhanced soil fertility and long term carbon sequestration	North Carolina A & T State University	299,986
A Reactive Distillation Process for Upgrading Bio-oil to Transportation Fuels and Bioplastics	North Carolina A & T State University	388,844
Integrated Research and Outreach Intervention to Prepare Small Scale Produce Farmers in NC for Upcoming Traceability Requirements	North Carolina A & T State University	292,319
Interdisciplinary Ph.D. Program in Food and Bioprocess Technologies for Training of Future Minority Faculty	North Carolina A & T State University	150,000
Engaging Limited Resource Small Farmers and Woodland Owners to Promote Best Agroforestry Technologies in North Carolina	North Carolina A & T State University	193,307
Developing Sustainable Pasture Based Livestock Extension Educational Tools for Integrated Use	North Carolina A & T State University	282,000
Developing Globally Agricultural Ready Scholars for the 21st Century	North Carolina A & T State University	150,000
Agricultural Systems Engineering - Fellowship Program	North Carolina A & T State University	118,000
Acquiring Laboratory Instrumentation for Food Education (A LIFE)	Prairie View A & M University	140,632
Establishment of an Agricultural Robotics Lab at Prairie View A&M University	Prairie View A & M University	276,299
Project Jumpstart	Prairie View A & M University	141,000
Artificial Cellulose Type Catalysts for Cellulosic-Ethanol Process	Prairie View A & M University	300,000
Reduction of Escherichia coli O157:H7 in Small-Scale Cow/Calf Operations using Best Management Practices	Southern University	1,077,639
Utilizing E-Learning to Enhance Preparation of Food and Nutrition Graduates	Southern University	150,000
Global Food and Agricultural Challenges: Strategies for Recruiting and Training Students in the Food and Agricultural Sciences	Southern University	150,000
Building Capacity and Enhancing Economic Development Through Experiential Learning in AMTX	Southern University	140,890
Strengthening Teaching and Learning in Urban Forestry through Climate Change Education	Southern University	299,836
Graduate Education and Training in Global Food	Southern	293,600

Purpose	Recipient	Amount
Security and Agricultural Bio-Security	University	
Integrating Bio-energy Science and Technology into Agricultural Education at Southern University and A&M	Southern University	298,794
Quantifying the Responses of Urban Tree Species to Elevated CO2 and Flooding	Southern University	299,947
Ultraviolet-B Radiation Protection Strategies in Selected Southern Trees	Southern University	299,510
Southern University Childhood Obesity Prevention Study	Southern University	299,503
Preparing Families for Future Health and Wealth Challenges	Southern University	264,733
Academy for the Academic Enhancement of High School Students in the Food and Agricultural Sciences	Southern University	199,684
Strategies to Improve Farm and Business Efficiency Through Integrated Communications	Southern University	185,323
Characterization of Root Proteomes for Drought and Salt Tolerance in Wild Tomato Species	Tennessee State University	124,552
Bringing Sustainable Environmental Consumer Practices to the Community and the Classroom through Development and Implementation of Learning	Tennessee State University	149,774
Building Capacity in Graduate Agricultural and Extension Education: Curriculum and Instructional Delivery through Integration of Technology	Tennessee State University	149,301
Building Capacity of Youth - Active and Media Savvy	Tennessee State University	599,992
Proteomic Analysis of Campylobacter Surface Antigens for Developing an Innovative Fingerprinting Scheme	Tennessee State University	299,998
Development of Biological based IPM for Powdery Mildew in Flowering Dogwood	Tennessee State University	299,981
A Molecular Model for Tolerance to Toxic Metal Ions in Plants	Tennessee State University	299,992
Characterization of Novel Hydrolytic Enzymes for Improving Conversion Efficiency of Lignocellulosic Biomass into Ethanol	Tennessee State University	299,999
Developing And Evaluating Sustainable Production of Eastern Gamagrass as Complementary Bioenergy Feedstock to Switchgrass	Tennessee State University	423,287
Water Smart: Watershed Academy for County Agents in Tennessee	Tennessee State University	188,000
Alternatives to Conventional Pesticide in Disease and Pest Management in Nursery Production System	Tennessee State University	199,997
Enhancing the Viability and Sustainability of Beginning Farmers and Ranchers through Collaboration, Mentoring and Whole Farm Planning	Tuskegee University	675,750
Strengthening Faculty and Students' Global Competence and Experiential Learning in Agriculture, Natural Resource Management and	Tuskegee University	300,000

Purpose	Recipient	Amount
Conservation		
Portable Distance Learning Utility and International Veterinary Outreach	Tuskegee University	137,573
Establishing an Integrated Program in Aquatic Animal Health at Tuskegee University	Tuskegee University	557,353
Nucleotide Binding Site (NBS) Profiling of Resistance Gene Analogs in the Sweet Potato Transcriptome	Tuskegee University	499,564
Evaluation of Tillage Practices on Soil Quality and Carbon Seq. Using Selected Soil Enzyme Activities and Measure of Soil Microbial Diversity	Tuskegee University	282,000
Development of Silvopasture Systems Involving Meat Goats Under Pine Plantation	Tuskegee University	476,577
Enhancing Capacity of Tuskegee University to Conduct Water Quality Extension Educational Programs	Tuskegee University	300,000
Building the Capacity of Program Delivery By Volunteer Youth Extension Paraprofessionals for Childhood Obesity Prevention Programs	Tuskegee University	300,000
Career Awareness, Planning, and Leadership Development to Enhance Recruitment and Retention of Minority Students	University of Arkansas at Pine Bluff	149,682
Career Awareness and Opportunities in the Agriculture, Environment and Life Sciences	University of Arkansas at Pine Bluff	299,871
Biochemical and Genetic Techniques to Advance Research in Lipid Metabolism and Nutrition of Channel Catfish and Largemouth Bass	University of Arkansas at Pine Bluff	281,630
Terminator-less Transgene Constructs for Efficient Gene Silencing in Crop Plants	University of Arkansas at Pine Bluff	500,000
Collection and Evaluation of Ornamental, Flowering and Nursery plants for adaptation in the lower Mississippi Delta Region	University of Arkansas at Pine Bluff	173,568
Building Curriculum and Experiential Learning in Sustainable Agriculture to Enhance Students' Communication and Problem-Solving Skills	University of Maryland Eastern Shore	149,997
Bio-Fuels, Sustainability, and Geospatial Information Technologies to Enhance Experiential Learning Paradigm for Precision Agriculture Project	University of Maryland Eastern Shore	150,000
Enhancing Undergraduate Research & Experiential Learning in Human Sciences, Family & Consumer Sciences, & Human Ecology	University of Maryland Eastern Shore	148,892
Increasing Capacity to Attract, Retain & Graduate Underrepresented Minorities in Low Enrollment Programs in Human Ecology	University of Maryland Eastern Shore	149,897
Evaluation Of Practical Post-Harvest Mitigation Strategies To Reduce The Abundance Of Vibrio Bacteria In Molluscan Shellfish	University of Maryland Eastern Shore	499,895
Watershed Level Examination of Urea Use as Fertilizer and the Production of the Biotoxin Domoic Acid	University of Maryland Eastern Shore	499,938
Food Safety Risks For Leafy Greens And Tomatoes	University of	499,999

Purpose	Recipient	Amount
	Maryland Eastern Shore	
Enhancing Cowpea Production in the Delmarva Region to Increase Bio-Diversity and Food Security	University of Maryland Eastern Shore	299,999
Characterizing Certain Grass Plants and Forage Soybean Genotypes as Sources of Biofuel and their Potential for Phosphorus Hyperaccumulation.	University of Maryland Eastern Shore	300,000
Development of a Dry Poultry Litter Incorporation Technology to Protect Air and Water Quality	University of Maryland Eastern Shore	599,980
Head Start: Jump Start on Healthy Lifestyle Program in Somerset County, Maryland	University of Maryland Eastern Shore	200,000
Anti-diabetic Properties of Grape Pomace	Virginia State University	287,415
Evaluation of Stinging Nettle (Urtica dioica L.) Nutrient Recovery from Manure Impacted Soils	Virginia State University	299,115
Establishing 1890s Land Grant Universities Water Center	Virginia State University	564,000
High Tunnel Raspberry Production - An Alternative Enterprise for Small Growers in Virginia	Virginia State University	179,167
Implementing Metagenomic-Enabled Systems Analysis to Engineer Energy Thresholds and Resilience in Microbial Bioenergy Communities.	West Virginia State University	564,000
<b>FY 2011</b>		
Trends and Emerging Issues in Soil Microbial Ecology: Challenges and Opportunities	Alabama A & M University	\$10,000
Enhancing Agribusiness Curriculum and Increasing Student Experiential Learning Through Global Internships	Alabama A & M University	150,000
Enhancing Recruitment and Retention in Animal Science to Build Capacity in Pre-Veterinary Medicine at AAMU	Alabama A & M University	149,916
Building Abilities of Students, Faculty and Alabama A&M University through Workshops in Food & Animal Science	Alabama A & M University	148,231
Urbanization and Loss of Prime Agricultural Land in North Alabama region: A Remote Sensing and Geographic Information System-Based Study	Alabama A & M University	500,000
Strengthening the Small Ruminant Extension Program at Alabama A&M University	Alabama A & M University	223,068
Comprehensive Entrepreneurship Extension Team Project	Alabama A & M University	348,106
Strategies to Expand Canola Acreage in the Southern United States	Alabama A & M University	140,081
An In-Depth IPM and Environmental Education for Limited-Resource Farmers in Rural Mississippi	Alcorn State University	249,860
Real-time PCR Viability Assay for Vibrio and Total Bacteria in Seafood and Water	Delaware State University	299,998
Developing Novel Bioenergy Crops By Simultaneous Expression Of Hyperthermophilic	Delaware State University	279,974

Purpose	Recipient	Amount
Starch-Hydrolyzing Enzymes In Transgenic Cassava Tubers		
Establishment of a Mobile Meat Processing Lab (MMPL) at Delaware State University	Delaware State University	247,884
Enhancing Graduate Student Recruitment and Retention in Soil and Water Science at Florida A&M University	Florida A & M University	149,673
Developing a Decision Support Interface System for Selection and Implementation of Agricultural Best Management Practices in Florida	Florida A & M University	599,795
Biological Control of Honey Bee Pests in Florida: Enhancement of Market Competitiveness	Florida A & M University	298,133
Cost-Effective Pathogen Reduction Strategies and Food Safety Training for Small and Very Small Meat Processors in Georgia	Fort Valley State University	100,000
Carbon Sequestration and Nitrogen Cycling for Green House Gas Mitigation by Southeastern US Annual and Perennial Energy Crops	Fort Valley State University	170,968
Strengthening Animal Science Undergraduate and Graduate Instruction by Upgrading the Laboratories to Teach Animal Biotechnology	Fort Valley State University	149,891
Germplasm Conservation, Anti-adipocytic and Anticancer Activity, and Metabolic Engineering in the Genus <i>Scutellaria</i>	Fort Valley State University	455,589
Development of a Baccalaureate Degree Program in Agriculture, Food, and Environment and Supporting Research Opportunities at Kentucky State	Kentucky State University	598,360
Health Benefits and Chemopreventitive Properties of Two Native Teas	Kentucky State University	299,993
Developing A Natural Pesticide Formulation For Organic Growers	Kentucky State University	292,772
4-H Youth Development: An Afterschool Mentoring Program For At-Risk Youth	Kentucky State University	250,000
A Multifaceted University/School/Food Industry Collaborative for Reducing Urban Childhood Obesity	Langston University	600,000
Extension Education Delivery Tools for Dairy Goat Producers: A Web-Based Certification Program and E-book	Langston University	350,000
Lincoln University Natural Resource Program Development, Recruitment, and Retention	Lincoln University	127,832
Silver Nanoparticles as Pesticide for Agricultural Applications	Lincoln University	425,243
Novel <i>Escherichia Coli</i> Genetic Markers for Water Safety	Lincoln University	428,818
Developing a Behaviorally-Based, Sustainable Integrated Pest Management Push-Pull Strategy for Cucumber Beetles in Missouri	Lincoln University	255,214
Hydrologic Processes Controlling Stream Water Quality in a Missouri Claypan Watershed	Lincoln University	306,237
Evaluating the Performance and Grazing Behavior of Meat Goats in the Development of a Field Station in Missouri Woodlands	Lincoln University	278,468

Purpose	Recipient	Amount
Development of Aquaculture Integrated Pest Management Training for Missouri Stakeholders	Lincoln University	14,837
Dietary Flavonoids as Reactive Carbonyl Scavengers to Prevent the Formation of Advanced Glycation End Products	North Carolina A & T State University	143,375
Post-Harvest Processing of Peanut and Wheat Products to Reduce Inherent Allergens	North Carolina A & T State University	499,980
Successful Small-Scale Enterprise Endeavors	North Carolina A & T State University	570,254
Proteomics Instrumentation Meets Education (PrIME) at North Carolina A&T State University	North Carolina A & T State University	149,910
Educating Healthy Children: A Gardening Education and Nutrition Curriculum	North Carolina A & T State University	147,401
Expanding Access to Family and Consumer Sciences Studies: Developing an On-line FCS Master's Program	North Carolina A & T State University	148,428
Carnosic Acid Enriched Rosemary Extract and its Active Components Reduce Weight Gain and Type 2 Diabetes	North Carolina A & T State University	300,000
An Investigation of Grape Pomace as A Potential Functional Food Ingredient For Obesity Prevention and Weight Control	North Carolina A & T State University	291,716
Remediation of Contaminated Soils and Water and Swine Manure Odor Reduction Using Zero Valent Nano Iron Particles	North Carolina A & T State University	299,928
Enhancing Experiential Experiences in Nutrition and Health	Prairie View A & M University	149,999
Enhancing the Education of Marriage and Family Graduates in the Electronic Age	Prairie View A & M University	149,792
Hydrologic Influences on Soil Organic Carbon Loss Monitoring Using Stable Isotopes	Prairie View A & M University	499,999
Integrating Sustainability into Urban Forestry and Agricultural Education at Southern University	Southern University	300,000
Combating Childhood Obesity with Caregivers as Change Agents	Southern University	279,354
Sustainable Forage Management Practices through Intensive Sequential Grazing System for Cattle and Goat production	Southern University	287,005
Developing Biofuels from Sustainable Alternative Non-Food Feedstocks in Louisiana	Southern University	490,128
Building Opportunities through Leadership Development	Southern University	122,292
An Integrated Approach to control Methicillin-Resistant Staphylococcus aureus and Clostridium difficile from Limited Resource Poultry	Tennessee State University	100,000
Nashville Children Eating Well (CHEW) for Health	Tennessee State University	860,000
Nashville Children Eating Well (CHEW) for Health	Tennessee State University	3,823,561
Establishing a Professional Sci Master's	Tennessee State	227,801

Purpose	Recipient	Amount
Program to Develop Future Biotechnology Workforce with Business Skills for Sustainable Agriculture	University	
Integrated evaluation of genetic variations in broiler chickens	Tennessee State University	227,788
Enhancing the Viability of Underserved Small Farms and Rural Communities Using Emerging Network Science	Tennessee State University	455,169
Identifying Food Safety Risk Factors and Educational Strategies for Consumers Purchasing Seafood and Meat Products Online	Tennessee State University	455,506
Improving Nitrogen and Water Use Efficiency to Reduce Greenhouse Gases Emission in Corn Croplands	Tennessee State University	299,974
American Ginseng and Childhood Obesity: the Effects and Mechanisms in Mice and Preadipocytes	Tennessee State University	227,754
Foodborne Pathogens Detection and Education to Support Sustainable Agriculture for Small Scale Producers	Tuskegee University	100,000
Organic Farming Planning Proposal for Research and Extension in Alabama	Tuskegee University	49,886
Genetic and Molecular Characterization of Phospholipid Biosynthetic Pathways as Drug Targets in the Livestock Parasite Haemonchus contortus	Tuskegee University	299,999
Increasing Adoption of Organic Farming Practices in Alabama through Teaching and Educational Extension Activities	Tuskegee University	600,000
Increasing Adoption of Organic Farming Practices in Alabama through Teaching and Educational Extension Activities	Tuskegee University	600,000
Graduate Training in Food Safety and Human Nutrition: An Approach that Integrates Diagnostics, Nutrition and Risk Analysis.	Tuskegee University	219,500
Shelf-Life Extension and Quality Enhancement of Chevron Products	University of Arkansas at Pine Bluff	150,000
Food and Agricultural Sciences: Preparing Future Graduate Students	University of Maryland Eastern Shore	300,000
Management of Unwanted Vegetation Using Small Ruminants (Sheep and Goats) in Tree Farms and Recreational Areas on Delmarva.	University of Maryland Eastern Shore	249,869
Family FARMS Extension Capacity Building	University of Maryland Eastern Shore	199,320
Integration of Nanotechnology Education into the Agriculture-STEM (A-STEM) Undergraduate Curriculum	Virginia State University	150,000
Climate Change and Adaptation: Curriculum Design, International Experiences for Students and Faculty in Australia, and Precollege Awareness	Virginia State University	300,000
Preparing Underrepresented Minorities For	Virginia State	149,345

Purpose	Recipient	Amount
Careers in Agricultural Sciences through Summer Enhancement Programs	University	
Breeding Tepary Bean for Drought Tolerance, Yield, and Nutritional Quality	Virginia State University	297,241
S. Pennellii, a Potential Feedstock for Bio-Gasoline Production	Virginia State University	368,434
Reinforcing Skills and Building Infrastructure for Production, Handling, Processing, and Distribution of Vegetable Soybean (Edamame)	Virginia State University	49,280
Sponsoring the 16th Biennial Research Symposium of the Association of 1890 Research Directors	West Virginia State University	50,000
Assoc. of Gene Expression Profiles of Oxidative Phosphorylation and Nutrient Eff., Growth and Dev. in Different Life Stages of Rainbow Trout	West Virginia State University	295,663
4-H Family Growth	West Virginia State University	246,158
<b>FY 2012</b>		
Silvopasture Systems for Increasing Productivity, Profitability, and Sustainability on Small and Medium-Sized Farms in the Southeast USA	Alabama A & M University	\$498,000
Farm Incubator Educational Training Program and Web-based Resource Center for Beginning Farmers and Ranchers	Alabama A & M University	675,491
Strengthening the Education Pipeline for Minority Wildlife Students using Experiential Learning, Mentoring, and Assessment of Student Learning	Alabama A & M University	299,165
Nanotechnology Application in the Food Engineering Curriculum	Alabama A & M University	297,948
Building Global Engagements to Enhance Faculty & Student's Professional Development & Career Opportunities in Agriculture's Challenge Areas	Alabama A & M University	299,999
Capacity Building for Sustainable Local Food Systems Planning in North Alabama through Science, Technology, Innovation and Synergistic Part	Alabama A & M University	299,680
Successful Aging Initiative: Community Based Education to Promote Health and Asset Management for Alabama's Older Adults	Alabama A & M University	248,430
Addressing Critical and Emerging Safety Issues in Human, Animal and Environmental Health Through Extension Outreach	Alabama A & M University	249,437
Increasing Experiential Learning Opportunities in Rural Development and Food Security Programs and Projects	Alcorn State University	149,965
Development and Evaluation of Purslane as Functional Feed for Production of Omega-3 Healthy Pork	Alcorn State University	491,416
Exploring Melon Genetic Diversity to Breed Novel Morphotypes for Dissemination into Small Farms Through a Participatory Selection Approach	Alcorn State University	498,645
Enhancing Sustainable Vegetable Production,	Alcorn State	245,677

Purpose	Recipient	Amount
Marketing and Management for Small Farm Families	University	
Development of Probiotics and Quantitative Assay for Salmonella and Campylobacter in Poultry	Delaware State University	149,874
Integrating Agricultural and Cultural Experiences in Student Training: A Study Abroad Program to Ghana	Delaware State University	299,975
On-farm Training Program for Students from Non-farm Backgrounds	Delaware State University	149,000
Developing Novel Bioenergy Crops By Simultaneous Expression Of Hyperthermophilic Starch-Hydrolyzing Enzymes In Transgenic Cassava Tubers	Delaware State University	20,000
Increasing Horticulture Based Outreach and Extension Program Activities by Delaware Cooperative Extension.	Delaware State University	247,230
An Integrative Transcriptome, Proteome and Metabolome Approach for Better Understanding Plant - Pathogen Interactions in Grape	Florida A & M University	268,961
Building Capacity for Clean Plant Diagnostic of Grape & Small Fruits at FAMU to Enhance Research & Extension in Florida & Southeastern US	Florida A & M University	299,744
Enhancing the Capacity of Urban Agriculture in North Florida Using Best Management of Farming Practices	Florida A & M University	348,371
Reaching a New Generation of Agro-Entrepreneurs Through Enhanced Program Delivery Strategies	Florida A & M University	250,000
Youth Development Summer Inst. Phase II: Enhancement of Research & Ext. Learning Labs (RELL), In Search of Next George Washington Carver	Florida A & M University	199,991
Carbon Sequestration and Nitrogen Cycling for Green House Gas Mitigation by Southeastern US Annual and Perennial Energy Crops	Fort Valley State University	800,000
Project Georgia Residential Energy Efficiency Network (GREEN)	Fort Valley State University	249,015
Multicultural Scholars in Agricultural Economics: Enhancing Food and Agriculture Diversity	Fort Valley State University	160,000
Farming for Cash: An Apprenticeship Program for Kentucky's Beginning Limited-Resource and Small-Scale Farmers	Kentucky State University	525,646
Development of an Apiculture Course Designed to Broaden the Student Experience	Kentucky State University	149,490
Kentucky State University Nutritional Sciences Option for the Agriculture, Food, and Environment Degree	Kentucky State University	150,000
Integrated Approach for Sustainable Aquaculture and Agriculture Production with the Use of Reclaimed Water from Rural Communities	Kentucky State University	599,751
Screening the USDA Capsicum Germplasm Collection for Antioxidants and Heavy Metals Bioaccumulation	Kentucky State University	299,373

Purpose	Recipient	Amount
A Working Spanish Language Education Program for Cooperative Extension Personnel	Langston University	145,304
Sustainable Small Ruminant Production Through Selection for Resistance to Internal Parasites	Langston University	600,000
Mentoring Students in Natural Resources to Meet the Triple Challenge of Managing Invasive Species and Rare Species in a Changing Climate	Lincoln University	149,072
A Practical Approach To Integrating Nanotechnology Education Into Agriculture And Environmental Science Curriculum	Lincoln University	149,640
Sustainable Market Development and Resource Use for Specialty Crops	Lincoln University	369,415
Families Integrating Nature, Conservation, and Agriculture-The FINCA model	Lincoln University	249,575
Dietary Flavonoids Inhibit the Formation of Advanced Glycation End Products by Trapping Reactive Dicarbonyl Compounds-An in Vivo Study	North Carolina A & T State University	489,884
Metrics of Sustainable Design: Enhancing Faculty Knowledge and Curriculum Delivery in an Accredited Landscape Architecture Program	North Carolina A & T State University	149,978
Transformational Learning:Promoting Students` Success thru the Professional Development Engagement Plan(PDEP) & Active Learning Experiences	North Carolina A & T State University	150,000
Modification of Wheat and Corn Brans by Microfluidization Process	North Carolina A & T State University	299,940
Wheat Bran for Colon Cancer Prevention: A Targeted Metabolomic Approach	North Carolina A & T State University	300,000
Using Technology to Deliver Parent Education and Information	North Carolina A & T State University	250,000
Early Work Readiness Skill Development Program	North Carolina A & T State University	250,000
Enhancing Undergraduate Training of Underrepresented Ethnic Populations in Natural Resources and Environmental Sciences	North Carolina A & T State University	180,000
Establish an Intelligent Equipment Lab for Precision Agriculture at Prairie View A&M University	Prairie View A & M University	299,974
CBG - Bioinformatics Research for Agriculture Innovative Students	Prairie View A & M University	299,786
Integrating Novel Biopolymers into Microbial Enteropathogen-reduction Studies (ChitoBiOMES)	Prairie View A & M University	496,035
Enhancing the Disaster Resilience for Rural Communities through Better Disaster Preparedness and Improved Emergency Response	South Carolina State University	573,643
JAGS in AG: Recruitment, Exploration, and Retention	Southern University	149,838
Alternative Utilization of Roselle Hibiscus as Small Farm and Niche Market Crop	Southern University	500,000
Academy for the Academic Enhancement of High School Students in the Food and Agricultural	Southern University	243,979

Purpose	Recipient	Amount
<b>Sciences</b>		
Eradicating Food Deserts in Neighborhoods through the Development of School Gardens	Southern University	250,000
Using Agriculture as a Fast Track Vehicle for Change through Experiential Learning	Southern University	249,886
Development of Learning Modules for Assuring Academic Enrichment Support for Youth in Rural Louisiana	Southern University	247,737
Molecular Characterization of <i>Erwinia tracheiphila</i> Strains for Cucurbit Host Specificity	Tennessee State University	150,000
Development and Evaluation of Science-Based Messages to Improve Consumers` Storage, Handling, and Preparation of Poultry and Poultry Product	Tennessee State University	480,174
Improving and Strengthening Enrollment and Retention of Minority Students In Pre-veterinary Medicine at Tennessee State University	Tennessee State University	149,952
An Economic Analysis of Local Food Environment and Demand for Fruits and Vegetables in a Food Desert Cluster in Tennessee	Tennessee State University	299,196
Identification and Modulation of Functional Protein Association Networks for Drought Tolerance in Switchgrass	Tennessee State University	499,995
Geospatial Information Systems Training/ Outreach for Extension and Research Professionals Working with Small Farmers and Forest Land Owners	Tennessee State University	249,969
Building Extension Capacity Using a Mobile Biodiesel Production Platform	Tennessee State University	249,744
Enhancing Food Safety Knowledge of Small to Medium-sized Produce Growers in Tennessee and Illinois	Tennessee State University	250,000
Effect of <i>Toxoplasma gondii</i> Gra10 Protein on Ovine Immune Response to Infection	Tuskegee University	200,000
Development of PCR-Microplate Array for <i>Salmonella</i> Serovars and Specific Identification of Foodborne Pathogens using Nanoparticles-Based Bio	Tuskegee University	258,895
Linking DNA Markers to Key Bioenergy Traits in <i>Miscanthus</i>	Tuskegee University	299,524
Value-Added Leadership for Strengthening Extension Personnel and Citizens	Tuskegee University	350,000
Building Capacity of Tuskegee University to Provide Science-Based Gardening Education in Alabama Black Belt Counties	Tuskegee University	349,611
Attributable Factors to Rice Straighthead and Development of Natural Evaluation Site	University of Arkansas at Pine Bluff	499,926
Enhancing Recruitment and Retention Strategies Building Enrollment Pipelines for Higher Education in the Food and Agricultural Sciences	University of Arkansas at Pine Bluff	149,802
Design-build Extension Delivery: A New, Integrated Model for Rapid, Cost-Effective	University of Arkansas at Pine	349,819

Purpose	Recipient	Amount
Technology Transfer	Bluff	
From the Mississippi Delta to the Niger Delta: Strengthening Teaching and Extension Capacity at UAPB to Enhance International Programming	University of Arkansas at Pine Bluff	600,000
Establishing Applied Economics and Marketing Laboratory (AEM-Lab) Facilities at Aquaculture Fisheries Center, UAPB	University of Arkansas at Pine Bluff	138,195
Building an Interdisciplinary Educational Program on Food Safety for Fresh Fruits and Vegetables	University of Maryland Eastern Shore	299,997
Building an Interdisciplinary Educational Program on Food Safety for Fresh Fruits and Vegetables	University of Maryland Eastern Shore	299,997
BEAT (Bio-Energy Academy for Teachers) The Energy Crisis and Enhance BLT (Bio-Energy Literacy for Teachers)	University of Maryland Eastern Shore	149,777
Applied Research and Field Experiments using Variable Rate Nitrogen Application, Remote and in Situ Sensing, and Drought Tolerant Corn Seeds	University of Maryland Eastern Shore	299,994
Integrating Poultry House Heating and Nitrogen Management with Biofilters and Biofertilizer Production	University of Maryland Eastern Shore	600,000
Science and Technology Based Literacy Training Among Youth and Communities on Maryland's Eastern Shore	University of Maryland Eastern Shore	349,392
Increasing Undergraduate Enrollment in the Department of Agriculture at Virginia State University	Virginia State University	150,000
Student Experiential Learning in Sustainable Agriculture Tourism, a "Think Globally, Act Locally" Approach	Virginia State University	149,985
VSU Outreach and Technical Assistance Program for Strengthening the Capacity of Virginia's Limited Resource Producers	Virginia State University	428,112
Development of an Integrated Urban Forest Management Program	Virginia State University	599,750
Virginia State University Multicultural Scholars' Special Experiential Learning Program	Virginia State University	12,000
Biotechnology and Crop Biodiversity as Recruiting Tools: Linking High School Science with Ongoing Research	West Virginia State University	149,583
Engaging Students in Global Genomic Research Through CGIAR Visits and Independent Next-Generation Sequencing Projects	West Virginia State University	299,811
Application of Genomic Technologies for Appalachian Mine Soil Reclamation	West Virginia State University	242,954
Genome-Wide Association Mapping for Improving Nutraceutical Traits in Pumpkin and Squash	West Virginia State University	299,832
Understanding Segregation Distortion and Reproductive Barriers Improves Breeders Ability to Transfer Traits from Wild Species to Cultivated	West Virginia State University	299,734

## Agriculture and Food Research Initiative

Mr. Aderholt: Please update the table provided in the fiscal year 2013 hearing record of grants by category made through AFRI for fiscal years 2009 through 2012.

Response: The information on the number of grants by category made through AFRI for fiscal years 2009 through 2012 awards is provided for the record.

[The information follows:]

Plant Health and Production and Plant Products (Obligations)		
Fiscal Year	Number	Amount
2009	177	\$66,421,747
2010	143	71,969,763
2011	105	72,371,572
2012	63	39,270,328
Total	488	250,033,410

Animal Health and Production and Animal Products (Obligations)		
Fiscal Year	Number	Amount
2009	125	\$51,080,158
2010	84	43,669,312
2011	42	19,776,241
2012	60	40,905,515
Total	311	155,431,226

Food Safety, Nutrition, and Health (Obligations)		
Fiscal Year	Number	Amount
2009	62	\$30,087,370
2010	65	43,492,780
2011	67	89,371,838
2012	61	33,791,521
Total	255	196,743,509

Renewable Energy, Natural Resources, and Environment (Obligations)		
Fiscal Year	Number	Amount
2009	77	\$21,441,628
2010	77	54,188,570
2011	59	31,951,171
2012	64	60,376,548
Total	277	167,957,917

Agriculture Systems and Technology (Obligations)		
Fiscal Year	Number	Amount
2009	24	\$9,052,632
2010	26	15,643,888
2011	29	22,425,521
2012	5	4,001,596
Total	84	51,123,637

Agriculture Economics And Rural Communities (Obligations)		
Fiscal Year	Number	Amount
2009	22	\$6,944,830
2010	28	17,449,922
2011	38	30,856,394
2012	10	3,399,854
Total	98	58,651,000

Total (Obligations)		
Fiscal Year	Number	Amount
2009	487	\$185,028,365
2010	423	246,414,235
2011	340	266,752,737
2012	263	181,745,362
Total	1,513	879,940,699

Mr. Aderholt: Please provide a table showing the total number and amount of awards to each college and university receiving an award by year for fiscal years 2009 through 2012.

Response: The information is provided for the record.

[The information follows:]

Fiscal Years 2009 and 2010

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
University of Alaska	AK	3	\$672,887	2	\$423,733
Alabama A & M University	AL	1	\$10,000	1	\$10,000
Auburn University	AL	6	\$2,443,873	2	\$452,718
Tuskegee University	AL	0	\$0	0	\$0
University of Alabama	AL	0	\$0	1	\$2,176,080
Arkansas State University	AR	0	\$0	1	\$149,571
University of Arkansas	AR	0	\$0	4	\$3,128,585
Winrock International Institute for Agricultural Development	AR	0	\$0	0	\$0
Arizona Board of Regents for Arizona State University	AZ	2	\$611,932	3	\$909,472
Arizona Board of Regents, University of Arizona	AZ	4	\$929,459	3	\$510,293
Arizona Board of Regents for Northern Arizona University	AZ	1	\$449,984	2	\$132,956
Beckman Research Institute of the City of Hope	CA	1	\$370,000	0	\$0
California Polytechnic State University	CA	1	\$309,378	0	\$0

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
California State University Fresno Foundation	CA	2	\$947,550	0	\$0
California State University Long Beach Foundation	CA	0	\$0	1	\$750,000
Chapman University	CA	0	\$0	1	\$848,000
Leland Stanford Junior University Board of Trustees	CA	0	\$0	1	\$75,000
The California State University, Chico Research Foundation	CA	0	\$0	1	\$149,970
President and Board of Trustees of Santa Clara College	CA	0	\$0	0	\$0
Regents of the University of California	CA	24	\$11,839,876	27	\$18,925,751
University of Southern California	CA	0	\$0	0	\$0
Children's Hospital & Research Center at Oakland	CA	2	\$1,499,237	0	\$0
The Foundation for California State University	CA	1	\$99,775	0	\$0
Colorado State University	CO	12	\$4,001,019	7	\$1,548,720

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
Conference of Research Workers in Animal Diseases	CO	1	\$87,000	0	\$0
Colorado School of Mines	CO	0	\$0	1	\$499,815
Fort Lewis College	CO	0	\$0	0	\$0
The Regents of the University of Colorado	CO	0	\$0	1	\$361,113
The Connecticut Agricultural Experiment Station	CT	1	\$125,753	1	\$299,953
University of Connecticut	CT	7	\$1,725,816	5	\$2,124,519
The Connecticut Agricultural Experiment Station	CT	0	\$0	0	\$0
Yale University	CT	1	\$499,123	1	\$130,000
American Geophysical Union	DC	1	\$10,000	0	\$0
American Society for Microbiology	DC	0	\$0	1	\$40,000
Carnegie Institution of Washington	DC	0	\$0	1	\$130,000
Ecological Society of America	DC	1	\$10,000	0	\$0
Georgetown University	DC	2	\$1,674,044	0	\$0
National Academy of Sciences	DC	0	\$0	0	\$0
USDA Agricultural Research Service	DC	18	\$6,228,360	11	\$4,774,775

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
USDA Beltsville Agricultural Research Center	DC	4	\$2,101,966	2	\$883,654
USDA Forest Service	DC	4	\$1,221,585	2	\$697,694
USDA, Economic Research Service	DC	0	\$0	2	\$96,938
University of Delaware	DE	1	\$317,950	10	\$5,225,384
Delaware State University	DE	0	\$0	0	\$0
Florida A&M University	FL	1	\$125,000	0	\$0
Florida State University	FL	2	\$868,968	2	\$1,288,990
Mote Marine Laboratory	FL	0	\$0	1	\$130,000
University of Central Florida	FL	1	\$71,307	1	\$387,556
University of Florida	FL	11	\$5,200,824	10	\$10,966,252
University of Miami	FL	1	\$1,000,000	0	\$0
University of North Florida	FL	1	\$350,000	0	\$0
Emory University	GA	1	\$1,250,000	3	\$1,110,900
Fort Valley State University	GA	0	\$0	1	\$170,968
Georgia Southern University Research & Service Foundation, Inc.	GA	0	\$0	1	\$271,463
Georgia Tech Research Corporation	GA	1	\$400,000	1	\$493,000
The University of Georgia Research Foundation, Inc.	GA	6	\$2,689,385	5	\$2,767,223

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
Fort Valley State University	GA	0	\$0	0	\$0
The University of Georgia	GA	0	\$0	0	\$0
Tift County High School	GA	7	\$2,816,743	1	\$391,831
University of Georgia	GA	2	\$727,686	0	\$0
University of Hawai'i	HI	2	\$524,798	4	\$5,799,271
Iowa State University	IA	3	\$2,073,870	0	\$0
Iowa State University of Science and Technology	IA	9	\$3,686,239	11	\$17,439,553
National Nutrient Databank Steering Committee Inc	IA	0	\$0	1	\$50,000
University of Iowa	IA	0	\$0	1	\$299,988
Boise State University	ID	2	\$299,452	1	\$681,143
Idaho State University	ID	1	\$199,704	0	\$0
Regents of the University of Idaho	ID	8	\$1,669,741	3	\$8,480,893
American Society for Reproductive Immunology	IL	0	\$0	0	\$0
Board of Trustees of the University of Illinois	IL	12	\$4,516,180	14	\$6,209,508
Board of Trustees Southern Illinois University	IL	0	\$0	0	\$0

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
Board of Trustees of Western Illinois University	IL	1	\$500,000	0	\$0
Federation of Animal Science Societies	IL	0	\$0	0	\$0
Illinois Institute of Technology	IL	1	\$359,852	1	\$499,685
Northwestern University	IL	1	\$317,000	0	\$0
University of Chicago	IL	0	\$0	1	\$700,000
Purdue University	IN	16	\$6,252,849	11	\$5,162,262
Society for Nutrition Education	IN	1	\$10,000	0	\$0
Trustees of Indiana University	IN	0	\$0	0	\$0
University of Notre Dame	IN	0	\$0	0	\$0
Kansas State University	KS	5	\$2,791,342	3	\$1,278,860
University of Kentucky Research Foundation	KY	6	\$1,089,578	9	\$1,609,882
Louisiana State University	LA	2	\$508,725	1	\$130,000
Louisiana State University Agricultural Center	LA	7	\$2,356,123	5	\$4,988,429
Pennington Biomedical Research Center	LA	0	\$0	0	\$0

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
Southern University Agricultural Research & Extension Center	LA	1	\$1,077,639	0	\$0
Boston Medical Center Corporation	MA	0	\$0	0	\$0
Boston University, Trustees of	MA	0	\$0	1	\$592,547
Massachusetts Institute of Technology	MA	0	\$0	1	\$130,000
President and Fellows of Harvard College	MA	0	\$0	0	\$0
The Broad Institute, Inc.	MA	1	\$985,000	0	\$0
Trustees of Clark University	MA	0	\$0	0	\$0
Tufts University	MA	4	\$1,546,120	2	\$606,125
University of Massachusetts	MA	7	\$3,019,250	2	\$2,201,594
Worcester Polytechnic Institute	MA	1	\$295,000	0	\$0
American Fisheries Society	MD	0	\$0	1	\$15,000
American Society of Plant Biologists	MD	0	\$0	0	\$0
Bovine Functional Genomics Laboratory	MD	1	\$625,000	0	\$0
Entomological Society of America	MD	0	\$0	0	\$0

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
Federation of American Societies for Experimental Biology	MD	0	\$0	1	\$19,000
The Center for Research on the Changing Earth System (CRCES)	MD	0	\$0	1	\$1,534,000
The Johns Hopkins University	MD	1	\$1,211,949		
University of Maryland	MD	4	\$3,010,383	2	\$544,975
University of Maine	ME	0	\$0	5	\$1,022,244
Board of Trustees of Michigan State University	MI	15	\$6,982,358	14	\$6,158,454
Michigan Technological University	MI	1	\$652,000	1	\$250,000
Oakland University	MI	0	\$0	1	\$780,000
Regents of the University of Michigan	MI	1	\$125,000	2	\$1,120,000
Land Stewardship Project	MN	1	\$459,650	0	\$0
American Phytopathological Society	MN	0	\$0	1	\$50,000
Mayo Clinic Rochester d/b/a Mayo Clinic College of Medicine	MN	1	\$399,995	0	\$0
Regents of the University of Minnesota	MN	12	\$4,747,287	12	\$5,562,620
Donald Danforth Plant Science Center	MO	1	\$348,889	0	\$0

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
Lincoln University	MO	0	\$0	0	\$0
The Curators of the University of Missouri	MO	6	\$838,290	7	\$3,672,228
University of Missouri	MO	0	\$0	0	\$0
Washington University	MO	0	\$0	1	\$75,000
Mississippi State University	MS	4	\$1,054,920	6	\$2,028,431
University of Mississippi Medical Center	MS	1	\$370,000	0	\$0
Montana State University	MT	4	\$859,817	0	\$0
University of Montana	MT	0	\$0	1	\$130,000
Duke University	NC	1	\$350,000	2	\$545,647
Fayetteville State University	NC	0	\$0	1	\$366,519
North Carolina Agricultural and Technical State University	NC	0	\$0	1	\$499,980
North Carolina Central University	NC	1	\$150,000	0	\$0
North Carolina State University	NC	7	\$3,227,586	9	\$6,818,922
Shaw University	NC	0	\$0	1	\$50,000
The University of North Carolina	NC	2	\$207,770	0	\$0
University of North Carolina	NC	0	\$0	4	\$1,171,547
Wake Forest University	NC	1	\$349,999	0	\$0

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
North Dakota State University	ND	7	\$2,084,448	4	\$2,627,077
Board of Regents, University of Nebraska	NE	5	\$2,149,514	8	\$14,132,397
Trustees of Dartmouth College	NH	2	\$474,481	0	\$0
University of New Hampshire	NH	5	\$806,124	2	\$615,061
Fairleigh Dickinson University	NJ	0	\$0	1	\$149,997
Montclair State University	NJ	0	\$0	0	\$0
The State University of New Jersey	NJ	6	\$2,439,521	1	\$890,000
Trustees of Princeton University	NJ	0	\$0	1	\$900,000
The State University of New Jersey	NJ	0	\$0	0	\$0
New Jersey Institute of Technology	NJ	0	\$0	0	\$0
Regents of New Mexico State University	NM	1	\$363,327	0	\$0
Board of Regents University of Nevada	NV	6	\$2,663,154	1	\$333,276
Boyce Thompson Institute for Plant Research	NY	2	\$794,453	1	\$130,000
Cary Institute of Ecosystem Studies	NY	2	\$20,000	0	\$0
Clarkson University	NY	1	\$400,000	0	\$0

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
Cold Spring Harbor Laboratory	NY	0	\$0	1	\$496,716
Cornell University	NY	19	\$7,850,474	12	\$4,621,128
Teachers College, Columbia University	NY	1	\$1,497,055	0	\$0
New York University (includes School of Medicine)	NY	0	\$0	1	\$825,322
The Research Foundation of SUNY on behalf of University at Buffalo	NY	0	\$0	0	\$0
The Ohio State University	OH	7	\$2,067,780	4	\$1,663,036
The Ohio State University Research Foundation	OH	6	\$2,324,636	0	\$0
University of Cincinnati	OH	0	\$0	0	\$0
Board of Regents of the University of Oklahoma	OK	1	\$10,000	0	\$0
Oklahoma State University	OK	5	\$2,045,224	2	\$683,480
The Samuel Roberts Noble Foundation Inc	OK	4	\$1,095,000	0	\$0
Oregon Health & Science University	OR	0	\$0	0	\$0
Oregon State University	OR	12	\$4,549,230	5	\$2,787,624

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
University of Oregon	OR	0	\$0	0	\$0
Portland State University	OR	0	\$0	0	\$0
Allegheny College	PA	0	\$0	0	\$0
University of Oregon	OR	0	\$0	1	\$500,000
Carnegie Mellon University	PA	0	\$0	0	\$0
Temple University - Of The Commonweal	PA	0	\$0	1	\$515,055
The Pennsylvania State University	PA	13	\$5,892,300	16	\$5,197,123
The Trustees of the University of Pennsylvania	PA	3	\$2,049,619	0	\$0
University of Pittsburgh	PA	0	\$0	0	\$0
University of Puerto Rico	PR	1	\$150,000	0	\$0
Gordon Research Conferences	RI	4	\$40,000	5	\$74,850
University of Rhode Island	RI	3	\$1,000,052	2	\$577,616
Clemson University	SC	1	\$93,538	5	\$1,074,202
South Carolina Research Foundation	SC	1	\$150,000	0	\$0
University of South Carolina	SC	0	\$0	0	\$0
Augustana College	SD	0	\$0	1	\$58,832
South Dakota School of Mines and Technology	SD	2	\$521,411	1	\$42,919
South Dakota State University	SD	8	\$2,438,391	5	\$1,421,597

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
American Association of Veterinary Immunologists	TN	1	\$10,000	1	\$20,000
Tennessee State University	TN	1	\$124,552	1	\$860,000
The University of Tennessee	TN	5	\$2,208,003	3	\$3,885,110
Baylor College of Medicine	TX	0	\$0	3	\$549,906
Baylor University	TX	1	\$348,000	1	\$486,327
Social & Health Research Center	TX	0	\$0	1	\$2,000,000
St. Edward`s University	TX	0	\$0	1	\$150,000
Texas A&M Research Foundation	TX	4	\$1,441,582	13	\$6,335,646
TEXAS A&M UNIVERSITY	TX	1	\$250,000	0	\$0
Texas AgriLife	TX	8	\$2,770,398	2	\$1,389,910
Texas Tech University	TX	4	\$1,251,004	0	\$0
Texas Woman`s University	TX	2	\$299,615	1	\$450,365
The TAMUS Health Science Center Research Foundation	TX	1	\$399,954	0	\$0
The University of Texas	TX	3	\$829,610	3	\$409,861
University of Houston	TX	1	\$10,000	0	\$0
West Texas A&M University	TX	1	\$113,724	0	\$0
William Marsh Rice University	TX	0	\$0	1	\$171,600
Brigham Young University	UT	0	\$0	0	\$0

Institution	State	Number of Awards	FY 2009 Amount	Number of Awards	FY 2010 Amount
Utah State University	UT	4	\$2,073,156	4	\$1,217,761
Virginia Polytechnic and State University	VA	5	\$2,963,302	8	\$3,804,214
Virginia State University	VA	0	\$0	0	\$0
Middlebury College	VT	0	\$0	1	\$150,000
University of Vermont and State Agricultural College	VT	4	\$1,565,486	1	\$472,669
University of Washington	WA	3	\$1,177,387	2	\$8,075,000
Washington State University	WA	7	\$3,358,058	9	\$15,538,509
The Board of Regents of the University of Wisconsin System	WI	6	\$3,117,082	13	\$5,177,811
West Virginia State University	WV	0	\$0	0	\$0
West Virginia State University Research	WV	0	\$0	1	\$50,000
West Virginia University	WV	1	\$330,000	1	\$191,172
West Virginia University Research Corporation	WV	2	\$496,757	1	\$808,190
University of Wyoming	WY	3	\$184,946	3	\$1,195,692

## Fiscal Years 2011 and 2012

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
University of Alaska	AK	1	\$374,888	1	\$374,888
Alabama A & M University	AL	1	\$498,000	0	\$0
Auburn University	AL	2	\$1,299,999	4	\$2,179,456
Tuskegee University	AL	0	\$0	2	\$225,000
University of Alabama	AL	0	\$0	0	\$0
Arkansas State University	AR	0	\$0	0	\$0
University of Arkansas	AR	4	\$5,272,940	2	\$1,331,284
Winrock International Institute for Agricultural Development	AR	2	\$998,715	0	\$0
Arizona Board of Regents for Arizona State University	AZ	4	\$2,449,173	1	\$350,000
Arizona Board of Regents, University of Arizona	AZ	2	\$137,500	2	\$574,783
Arizona Board of Regents for Northern Arizona University	AZ	0	\$0	0	\$0
Beckman Research Institute of the City of Hope	CA	0	\$0	0	\$0
California Polytechnic State University	CA	0	\$0	0	\$0
California State University Fresno Foundation	CA	0	\$0	1	\$216,349
California State University Long Beach Foundation	CA	1	\$750,000	1	\$750,000
Chapman University	CA	0	\$0	0	\$0
Leland Stanford Junior University Board of Trustees of the	CA	1	\$75,000	0	\$0

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
The California State University, Chico Research Foundation	CA	0	\$0	0	\$0
President and Board of Trustees of Santa Clara College	CA	0	\$0	1	\$146,106
Regents of the University of California	CA	19	\$19,363,896	18	\$16,588,885
University of Southern California	CA	0	\$0	1	\$1,334,617
Children's Hospital & Research Center at Oakland	CA	0	\$0	0	\$0
The Foundation for California State University	CA	1	\$479,602	0	\$0
Colorado State University	CO	6	\$2,253,345	6	\$3,716,481
Conference of Research Workers in Animal Diseases	CO	0	\$0	1	\$4,168
Colorado School of Mines	CO	0	\$0	0	\$0
Fort Lewis College	CO	1	\$117,053	0	\$0
The Regents of the University of Colorado	CO	1	\$260,203	1	\$1,405,098
The Connecticut Agricultural Experiment Station	CT	0	\$0	0	\$0
University of Connecticut	CT	9	\$2,161,483	2	\$586,643
The Connecticut Agricultural Experiment Station	CT	2	\$1,671,932	0	\$0
Yale University	CT	0	\$0	1	\$130,000
American Geophysical Union	DC	0	\$0	0	\$0
American Society for Microbiology	DC	0	\$0	1	\$18,000

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
Carnegie Institution of Washington	DC	0	\$0	0	\$0
Ecological Society of America	DC	0	\$0	0	\$0
Georgetown University	DC	0	\$0	0	\$0
National Academy of Sciences	DC	1	\$35,366	0	\$0
USDA Agricultural Research Service	DC	9	\$4,696,552	4	\$1,759,992
USDA Beltsville Agricultural Research Center	DC	0	\$0	0	\$0
USDA Forest Service	DC	2	\$1,283,058	2	\$887,000
USDA, Economic Research Service	DC	0	\$0	0	\$0
University of Delaware	DE	4	\$3,316,836	4	\$3,469,551
Delaware State University	DE	0	\$0	1	\$149,874
Florida A&M University	FL	0	\$0	0	\$0
Florida State University	FL	0	\$0	1	\$125,382
Mote Marine Laboratory	FL	0	\$0	0	\$0
University of Central Florida	FL	0	\$0	0	\$0
University of Florida	FL	3	\$5,832,372	6	\$7,112,540
University of Miami	FL	0	\$0	0	\$0
University of North Florida	FL	0	\$0	0	\$0
Emory University	GA	0	\$0	0	\$0
Fort Valley State University	GA	0	\$0	0	\$0
Georgia Southern University Research & Service Foundation, Inc.	GA	0	\$0	0	\$0
Georgia Tech Research Corporation	GA	0	\$0	0	\$0
The University of Georgia Research Foundation, Inc.	GA	5	\$2,827,132	7	\$3,807,675

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
Fort Valley State University	GA	1	\$800,000		
The University of Georgia	GA	0	\$0	1	\$410,906
Tift County High School	GA	1	\$5,254	0	\$0
University of Georgia	GA	0	\$0	0	\$0
University of Hawai'i	HI	4	\$5,650,272	1	\$4,945,272
Iowa State University	IA	0	\$0	0	\$0
Iowa State University of Science and Technology	IA	12	\$8,973,798	12	\$15,887,886
National Nutrient Databank Steering Committee Inc				0	\$0
University of Iowa	IA	2	\$1,532,242		
Boise State University	ID	0	\$0	2	\$780,680
Idaho State University	ID	0	\$0		
Regents of the University of Idaho	ID	2	\$704,888	5	\$5,129,007
American Society for Reproductive Immunology	IL	1	\$20,000	0	\$0
Board of Trustees of the University of Illinois	IL	4	\$2,262,199	6	\$2,501,346
Board of Trustees Southern Illinois University	IL	0	\$0	1	\$499,048
Board of Trustees of Western Illinois University	IL	0	\$0	0	\$0
Federation of Animal Science Societies	IL	1	\$30,000	0	\$0
Illinois Institute of Technology	IL	0	\$0	1	\$130,000
Northwestern University	IL	0	\$0	0	\$0
University of Chicago	IL	0	\$0	0	\$0

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
Purdue University	IN	6	\$2,451,680	4	\$4,336,729
Society for Nutrition Education	IN	0	\$0	0	\$0
Trustees of Indiana University	IN	2	\$188,360	0	\$0
University of Notre Dame	IN	0	\$0	1	\$500,000
Kansas State University	KS	8	\$6,347,803	4	\$3,662,817
University of Kentucky Research Foundation	KY	5	\$1,981,544	3	\$1,263,884
Louisiana State University	LA	0	\$0	0	\$0
Louisiana State University Agricultural Center	LA	4	\$5,027,754	0	\$0
Pennington Biomedical Research Center	LA	1	\$480,000	0	\$0
Southern University Agricultural Research & Extension Center	LA	0	\$0	0	\$0
Boston Medical Center Corporation	MA	0	\$0	1	\$128,800
Boston University, Trustees of	MA	0	\$0	0	\$0
Massachusetts Institute of Technology	MA	0	\$0	0	\$0
President and Fellows of Harvard College	MA	0	\$0	1	\$129,992
The Broad Institute, Inc.	MA	0	\$0	0	\$0
Trustees of Clark University	MA	1	\$49,988	0	\$0
Tufts University	MA	1	\$489,993	0	\$0
University of Massachusetts	MA	7	\$2,832,682	0	\$0
Worcester Polytechnic Institute	MA	0	\$0	0	\$0

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
American Fisheries Society	MD	0	\$0	0	\$0
American Society of Plant Biologists	MD	1	\$48,800	0	\$0
Bovine Functional Genomics Laboratory	MD	0	\$0	0	\$0
Entomological Society of America	MD	0	\$0	1	\$30,392
Federation of American Societies for Experimental Biology	MD	0	\$0	0	\$0
The Center for Research on the Changing Earth System (CRCES)	MD	0	\$0	0	\$0
The Johns Hopkins University	MD	0	\$0	0	\$0
University of Maryland	MD	1	\$1,170,000	3	\$1,675,856
University of Maine	ME	0	\$0	2	\$647,023
Board of Trustees of Michigan State University	MI	17	\$7,564,921	10	\$4,242,631
Michigan Technological University	MI	1	\$149,888	1	\$499,916
Oakland University	MI	1	\$3,636,265	0	\$0
Regents of the University of Michigan	MI	2	\$4,061,807	2	\$1,129,999
Land Stewardship Project	MN	0	\$0	0	\$0
American Phytopathological Society	MN	0	\$0	0	\$0
Mayo Clinic Rochester d/b/a Mayo Clinic College of Medicine	MN	0	\$0	0	\$0
Regents of the University of Minnesota	MN	10	\$5,534,699	6	\$2,714,282
Donald Danforth Plant Science Center	MO	2	\$260,000	0	\$0

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
Lincoln University	MO	1	\$94,258	0	\$0
The Curators of the University of Missouri	MO	4	\$2,011,894	4	\$2,840,304
University of Missouri	MO	0	\$0	3	\$3,629,447
Washington University	MO	0	\$0	0	\$0
Mississippi State University	MS	2	\$191,585	3	\$296,450
University of Mississippi Medical Center	MS	0	\$0	0	\$0
Montana State University	MT	2	\$650,000	0	\$0
University of MT	MT	0	\$0	0	\$0
Duke University	NC	1	\$220,000	2	\$1,098,843
Fayetteville State University	NC	0	\$0	0	\$0
North Carolina Agricultural and Technical State University	NC	1	\$489,884	0	\$0
North Carolina Central University	NC	0	\$0	0	\$0
North Carolina State University	NC	9	\$10,066,584	5	\$1,864,360
Shaw University	NC	0	\$0	0	\$0
The University of North Carolina	NC	0	\$0	0	\$0
University of North Carolina	NC	2	\$983,539	0	\$0
Wake Forest University	NC	0	\$0	0	\$0
North Dakota State University	ND	4	\$3,440,587	3	\$1,162,416
Board of Regents, University of Nebraska	NE	8	\$9,361,669	4	\$5,787,651
Trustees of Dartmouth College	NH	0	\$0	0	\$0
University of New Hampshire	NH	0	\$0	0	\$0
Fairleigh Dickinson University	NJ	0	\$0	1	\$149,992
Montclair State University	NJ	0	\$0	1	\$349,963

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
The State University of New Jersey	NJ	0	\$0	0	\$0
Trustees of Princeton University	NJ	1	\$75,000	0	\$0
The State University of New Jersey	NJ	1	\$3,600,000	0	\$0
New Jersey Institute of Technology	NJ	1	\$480,000	0	\$0
Regents of New Mexico State University	NM	0	\$0	0	\$0
Board of Regents obo University of Nevada	NV	0	\$0	0	\$0
Boyce Thompson Institute for Plant Research	NY	1	\$452,000	0	\$0
Cary Institute of Ecosystem Studies	NY	0	\$0	0	\$0
Clarkson University	NY	0	\$0	0	\$0
Cold Spring Harbor Laboratory	NY	0	\$0	0	\$0
Cornell University	NY	21	\$11,018,614	10	\$4,856,599
Teachers College, Columbia University	NY	0	\$0	0	\$0
New York University (includes School of Medicine)	NY	2	\$4,302,036	0	\$0
The Research Foundation of SUNY on behalf of University at Buffalo	NY	1	\$462,000	1	\$967,793
The Ohio State University	OH	5	\$1,536,383	5	\$3,436,322
The Ohio State University Research Foundation	OH	0	\$0	0	\$0
University of Cincinnati	OH	1	\$500,000	0	\$0

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
Board of Regents of the University of Oklahoma	OK	1	\$466,534	1	\$27,500
Oklahoma State University	OK	2	\$804,530	1	\$1,999,413
The Samuel Roberts Noble Foundation Inc	OK	0	\$0	0	\$0
Oregon Health & Science University	OR	0	\$0	1	\$430,000
Oregon State University	OR	6	\$5,292,708	6	\$10,094,138
University of Oregon	OR	1	\$363,525	0	\$0
Portland State University	OR	0	\$0	1	\$716,698
Allegheny College	PA	1	\$35,500	0	\$0
University of Oregon	OR	0	\$0	0	\$0
Carnegie Mellon University	PA	0	\$0	1	\$890,659
Temple University - Of The Commonweal	PA	1	\$3,173,286	2	\$646,983
The Pennsylvania State University	PA	15	\$7,221,795	9	\$6,055,269
The Trustees of the University of Pennsylvania	PA	0	\$0	1	\$105,800
University of Pittsburgh	PA	1	\$73,940	0	\$0
University of Puerto Rico	PR	0	\$0	1	\$130,000
Gordon Research Conferences	RI	1	\$10,000	2	\$25,000
University of Rhode Island	RI	0	\$0	0	\$0
Clemson University	SC	2	\$214,716	2	\$114,929
South Carolina Research Foundation	SC	2	\$2,400,000	1	\$441,794
University of South Carolina	SC	0	\$0	1	\$149,994
Augustana College	SD	0	\$0	0	\$0
South Dakota School of Mines and Technology	SD	0	\$0	0	\$0

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
South Dakota State University	SD	6	\$2,309,784	3	\$2,291,797
American Association of Veterinary Immunologists	TN	0	\$0	0	\$0
Tennessee State University	TN	2	\$3,973,561	1	\$480,174
The University of Tennessee	TN	3	\$3,235,000	3	\$1,507,367
Baylor College of Medicine	TX	1	\$3,824,404	2	\$899,873
Baylor University	TX	0	\$0	0	\$0
Social & Health Research Center	TX	0	\$0	0	\$0
St. Edward's University	TX	0	\$0	0	\$0
Texas A&M Research Foundation	TX	6	\$4,327,486	5	\$3,444,372
TEXAS A&M UNIVERSITY	TX	0	\$0	0	\$0
Texas AgriLife	TX	5	\$4,544,200	3	\$2,703,875
Texas Tech University	TX	1	\$480,000	0	\$0
Texas Woman's University	TX	1	\$1,049,245	0	\$0
The TAMUS Health Science Center Research Foundation	TX	0	\$0	0	\$0
The University of Texas	TX	0	\$0	1	\$500,000
University of Houston	TX	0	\$0	0	\$0
West Texas A&M University	TX	0	\$0	1	\$148,999
William Marsh Rice University	TX	1	\$271,941	0	\$0
Brigham Young University	UT	1	\$733,884	0	\$0
Utah State University	UT	3	\$1,670,142	0	\$0
Virginia Polytechnic and State University	VA	7	\$21,520,753	6	\$3,530,222
Virginia State University	VA	0	\$0	1	\$457,602
Middlebury College	VT	0	\$0	0	\$0

Institution	State	Number of Awards	FY 2011 Amount	Number of Awards	FY 2012 Amount
University of Vermont and State Agricultural College	VT	2	\$375,233	0	\$0
University of Washington	WA	1	\$7,600,000	3	\$3,026,620
Washington State University	WA	7	\$13,046,960	9	\$8,014,973
The Board of Regents of the University of Wisconsin System	WI	8	\$3,745,140	10	\$6,085,239
West Virginia State University	WV	0	\$0	1	\$50,000
West Virginia State University Research	WV	0	\$0	0	\$0
West Virginia University	WV	0	\$0	1	\$500,000
West Virginia University Research Corporation	WV	3	\$4,146,822	1	\$349,952
University of Wyoming	WY	2	\$1,495,733	1	\$995,742

## Agriculture and Food Research Initiative and ARS

Mr. Aderholt: Please provide the list of AFRI grants awarded to ARS researchers for fiscal year 2012.

Response: There were four AFRI awards provided to ARS researchers with fiscal year 2012 appropriated funds.

[The information follows:]

APPROP FY	PROGRAM NAME	PROPOSAL NUMBER	RECIPIENT	MAIN PRIORITY NAME	AWARD AMT
2012	Enhanced Implementation of Integrated Pest Management (IPM) for Vectored Pathogens, AFRI	2012-01788	USDA-ARS	Plant health and production and plant products	\$419,631
2012	Animal Health and Production and Animal Products: Animal Breeding, Genetics, and Genomics	2011-03185	USDA-ARS	Animal health and production and animal products	\$499,960
2012	Impacts of Regional Bioenergy Feedstock Production Systems on Wildlife and Pollinators, AFRI	2012-00811	USDA-ARS	Renewable energy, natural resources, and environment	\$500,000
2012	Climate Change: Climate Change Mitigation and Adaptation in Agriculture	2012-04176	USDA-ARS	Plant health and production and plant products	\$340,401
Total					\$1,759,992

## Extension Programs

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record showing funding by category for NIFA's extension programs for fiscal years 2009 through 2013.

Response: The information is provided for the record.

[The information follows:]

## Extension Programs

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
<b>Formula Programs:</b>					
Smith-Lever Formula 3(b)(4C).....	\$288,548,000	\$297,500,000	\$293,911,000	\$294,000,000	\$271,269,447
1890 Institutions.....	40,150,000	42,677,000	42,591,646	42,592,000	39,299,008
<b>Smith-Lever 3(d) Programs:</b>					
Expanded Food and Nutrition Education Program.....	66,155,000	68,070,000	67,933,860	67,934,000	62,681,696
Pest Management.....	9,791,000	9,938,000	9,918,124	9,918,000	9,151,192
Farm Safety.....	4,863,000	4,863,000	4,853,274	0	0
Farm Safety and Youth Farm Safety Ed. & Cert. ....	0	0	0	4,610,000	4,253,579
New Technologies for Ag Extension.....	1,506,000	1,750,000	1,746,500	1,550,000	1,430,162
Children, Youth, and Families at Risk.....	8,182,000	8,412,000	8,395,176	7,600,000	7,012,408
Youth Farm Safety Education and Certification.....	479,000	486,000	485,028	0	0
Sustainable Agriculture.....	4,568,000	4,705,000	4,695,590	4,696,000	4,332,930
Federally-Recognized Tribes Extension.....	3,009,000	3,045,000	3,038,310	3,039,000	2,504,041
Extension Services at the 1894 Institutions.....	3,321,000	4,321,000	4,312,358	4,312,000	3,978,618
Renewable Resources Extension Act.....	4,008,000	4,068,000	4,059,864	3,790,000	3,413,335
Rural Health and Safety.....	1,738,000	1,738,000	1,734,524	1,500,000	1,384,027
1890 Facilities (Sec. 1447).....	18,000,000	19,770,000	19,730,460	19,730,000	18,204,579
Grants for Youth Serving Institutions.....	1,767,000	1,784,000	1,780,432	750,000	672,638
Food Animal Residue Avoidance Database.....	806,000	1,000,000	998,000	1,000,000	922,685
Women & Minorities in STEM Fields.....	0	400,000	395,200	400,000	369,074
<b>Federal Administration:</b>					
Other.....	9,388,000	11,831,000	0	0	0
General Admin (Including Pay Cost).....	7,439,000	8,012,000	7,995,976	7,900,000	7,374,101
Ag in the Classroom.....	553,000	553,000	551,894	552,000	589,322
<b>Total, Extension Activities.....</b>	<b>\$474,250,000</b>	<b>\$494,923,000</b>	<b>\$479,131,816</b>	<b>\$475,183,000</b>	<b>\$439,063,442</b>

## Integrated Activities

Mr. Aderholt: Please update the chart provided in fiscal year 2013 hearing record showing funding by category, recipients(s) and location of recipient(s) for NIFA's integrated research program for fiscal years 2009 through 2013.

Response: The information is provided for the record. Recipient data for FY 2009 through FY 2012 is provided, but FY 2013 data is not yet available.

[The information follows:]

Program Name	FY 2009	FY 2010	FY 2011	FY 2012
Rural Development Centers	\$1,312,000	\$1,312,000	\$998,000	\$998,000
Water Quality	12,649,000	12,649,000	8,982,000	4,500,000
Food Safety	14,596,000	14,596,000	10,978,000	-
Regional Pest Management Centers	4,096,000	4,096,000	2,994,000	4,000,000
Crops at Risk from FQPA Implementation	1,365,000	1,365,000	-	-
FQPA Risk Mitigation Program for Major Food Crop Systems	4,388,000	4,388,000	-	-
Methyl Bromide Transition Program	3,054,000	3,054,000	1,996,000	1,996,000
Organic Transition Program	1,842,000	5,000,000	3,992,000	4,000,000
International Science and Education Grants	3,000,000	3,000,000	998,000	-
Critical Issues - Plant and Animal Diseases	732,000	732,000	-	-
Homeland Security	9,830,000	9,830,000	5,988,000	5,988,000
Subtotal (Discretionary Programs)	\$56,864,000	\$60,022,000	\$36,926,000	\$21,482,000
Organic Agricultural Research and Extension Initiative	18,000,000	20,000,000	20,000,000	20,000,000
Specialty Crops, Research Initiative	50,000,000	50,000,000	50,000,000	50,000,000
<b>Total</b>	<b>\$124,864,000</b>	<b>\$130,022,000</b>	<b>\$106,926,000</b>	<b>\$91,482,000</b>

\*Funding above shows appropriated funds.

\*\*Funding tables below do not include legislative set asides for NIFA.

Rural Development Centers (RDC)					
Institution; Location	FY 2009 Amount	FY 2010 Amount	FY 2011 Amount	FY 2012 Amount	Title
Utah State U., UT	\$312,256	\$312,256	\$237,524	\$237,444	Western RDC
Pennsylvania State U.; PA	312,256	312,256	237,524	237,444	Northeast Regional RDC
Michigan State U.; MI	312,256	312,256	237,524	237,444	North Central Regional RDC
Mississippi State U.; MS	312,256	312,256	237,524	237,444	Southern RDC
<b>Total</b>	<b>\$1,249,024</b>	<b>\$1,249,024</b>	<b>\$950,096</b>	<b>\$949,777</b>	

Water Quality FY 2009 Institution; Location	Amount	Title
Colorado State U.; CO	\$67,000	Coordinated Regional Water Resources Programming for the Northern Plains and Mountains Region
Colorado State U.; CO	600,000	Coordinated Regional Water Resources Programming for the Northern Plains and Mountains Region
Iowa State U.; IA	575,000	Heartland Regional Water Coordination Initiative
U. of Maryland; MD	600,000	Mid-Atlantic Water Program
Texas A&M Life Extension Service; TX	1,270,000	Sothorn Region Water Resource Project
U. of Wisconsin, Madison; WI	610,000	Continuing Support for the Great Lakes Regional Water Program
University of Idaho; ID	595,000	Coordination, Development & Delivery of Water Resources Programs in the Pacific Northwest
U. of Rhode Island; RI	1,090,000	Northeast States and Caribbean Islands
U. of Idaho; ID	154,672	Synthesis and Analysis of 13 CSREES CEAP Projects
South Dakota State U.; SD	645,788	Conservation Practices Assessment of the Lower Bad River Basin
Board of Regents of the U. of Wisconsin System UW-Extension; WI	143,000	Mapping the Future: Youth-Water Programming for the 21st Century
Purdue U.; IN	300,000	Impact of Biofeedstock Production on Hydrology/Water Quality in Midwest and Southeast USA
Arizona Board of Regents, U. of Arizona; AZ	550,000	Southwest States & Pacific Island
Board of Regents, U. of Nebraska, Lincoln; NE	544,500	Improving and Conserving Water Resources through Stormwater Management Education for Community Decision Makers of Today and Tomorrow
Pennsylvania State U.; PA	240,000	Innovation in Youth Water Education in Pennsylvania Priority Watersheds
Board of Trustees of the U. of Illinois; IL	660,000	Reducing Nitrate Losses in Tile-Drained Agricultural Watersheds
North Carolina State U.; NC	228,000	Robeson Creek Water Quality Outreach Initiative
Colorado State U.; CO	615,000	Multi Criteria Decision Tool for the Assessment and Planning of Watershed Management Practices
U. of Connecticut; CT	385,000	Support of NIWQP Research, Education & Extension Outreach through Geospatial Technology Training

FY 2009 Institution; Location	Amount	Title
Board of Regents of the U. of Wisconsin System; WI	629,000	Tools Integrating Landuser Management Decisions with Watershed Processes to Achieve Water Quality Goals
Washington State U.; WA	566,610	Protecting Water Resources by Engaging Stakeholders in Targeted Implementation of Filter Strips
Kansas State U.; KS	114,000	Environmental Leadership Interdisciplinary Curriculum to Address Water Resources
U. of Tennessee; TN	652,000	Enhancing Water Quality in Oostanuala Watershed
Iowa State U.; IA	<u>165,459</u>	Enhancing Farmland Water Quality & Availability through Soli-Building Crop Rotations & Organic Practices
Total	<u>12,000,029</u>	

FY 2010 Institution; Location	Amount	Title
Colorado State U.; CO	1,225,000	Northern Plains and Mountains Region
U. of Wisconsin, Madison; WI	1,235,000	Continuing Support for the Great Lakes Regional Water Program
Arizona Board of Regents, U. of Arizona; AZ	1,145,000	Southwest States & Pacific Islands
U. of Maryland; MD	1,200,000	Mid-Atlantic Water Program
U. of Rhode Island; RI	2,226,848	Northeast States and Caribbean Islands
Iowa State U.; IA	1,150,000	Heartland Regional Water Coordination Initiative
U. of Idaho; ID	1,190,000	Continuing Support for the Great Lakes Regional Water Program
Texas AgriLife Extension Service; TX	<u>2,670,000</u>	The Southern Region Water Resource Project
Total	<u>12,041,848</u>	

FY 2011 Institution; Location	Amount	Title
U. of Florida; FL	395,000	Developing Tools to Attenuate Emerging Contaminants in Onsite Wastewater Treatment Systems
U. of Florida; FL	398,800	Smart Irrigation: Smartphone technology for managing urban and agricultural irrigation
Purdue U.; IN	395,000	Mobile Computing Technologies to Enable More Efficient Water Management Decisions in the Field

FY 2011 Institution; Location	Amount	Title
Colorado State U.; CO	365,000	Mobile irrigation water management system using eRAMs cloud computing infrastructure
Colorado State U.; CO	149,000	Agricultural Water Security in the Colorado River Basin: Planning for Water Research, Extension, and Education
U. of Rhode Island; RI	495,000	Efficacy, Constraints and Uncertainties of Constructed Wetlands and Bioreactors: A place-based, integrated approach to foster N abatement
Iowa State U. of Science and Technology; IA	280,909	Nitrogen Retention and Greenhouse Gas Fluxes of Constructed wetlands in Agricultural Watersheds within the Upper Mississippi River Basin
U. of Wisconsin, Madison; WI	2,400,000	Water Equals National Education Campaign: Transforming Young People's Relationship with Water
Montana State U.; MT	598,500	Water Quality best Management Practices in the Judith River watershed: use of adaptive research and outreach to improve adoption
U. of Georgia Research Foundation, Inc.; GA	567,000	Impacts of On-site Wastewater Treatment Systems on Water Quality and Quantity in Urbanizing Watersheds
U. of Delaware; DE	595,000	Water Quality and ecosystem services from landscape best management practices that enhance vegetation in urbanizing watersheds
North Carolina State U.; NC	595,000	Analysis of Conservation Practice Effectiveness and Producer Adoption Behavior in Lake Jordan Watershed, NC
Kansas State U.; KS	570,000	Measuring Success of Targeted BMP Implementation and Getting Smarter about Ephemeral Gully Sediment and Nutrient Sources and BMPs
Mississippi State U. of Agriculture & Applied Science; MS	445,000	Downstream Water Quality and Quantity Impacts of Water Storage Systems in Porter Bayou Watershed
California Polytechnic State U.	234,865	Integrating remote sensing of evapotranspiration with surface and groundwater information to target potential water conservation projects
Colorado State U.	17,000	Coordinated Regional Water Resources Programming for the Northern Plains and Mountains Region
Total	<u>8,501,074</u>	

FY 2012 Institution; Location	Amount	Title
U. of Vermont and State Agricultural College; VT	394,000	goCrop: Integration of Mobile to Enhance Nutrient Management Program Implementation
U. of Minnesota; MN	314,000	A Management Tool for Small Community Onsite Wastewater Treatment Systems: The Community System Owner's Guide
U. of Tennessee; TN	633,400	Watershed Scale Project in Oostanaula Creek
U. of Maryland; MD	631,500	Watershed Diagnostics for Improved Adoption of Management Practices: Integrating Biophysical and Social Factors
Curators of the U. of Missouri; MO	414,000	Factors Affecting Adoption of Nutrient Management Practices By Farmers and Homeowners
Iowa State U. of Science and Technology; IA	621,000	An Integrated approach to precision conservation planning in the South Fork Watershed
Ohio State U.; OH	660,000	An Integrated Approach to Foster Science-Based Management of Agricultural Drainage Channels in the Western Lake Erie Basin
Oregon State U.; OR	588,229	Reducing Bacterial Contamination in the Tillamook Estuary Through Performanced-based Incentives
Total	4,256,129	

Food Safety FY 2009 Institution; Location	Amount	Title
Rutgers, The State U. of New Jersey; NJ	600,000	Peer Networking & Social Norms Design
Cornell u.; NY	591,732	Improving the Safety of Acidified & Acid Foods Produced by Small-scale Food Processors in the Northeast
Drexel U.; PA	598,752	Identifying & Addressing Potential Poultry & Egg Mishandling Habits of Minority Ethnic & Racial Populations
Alabama State U.; AL	599,999	Food Safety Education for Early Childhood Educations & Young Children
Ohio State U.; OH	597,841	Enhancement of Educational & Extension Communications for the Prevention of Milkborne Diseases

FY 2009 Institution; Location	Amount	Title
Tennessee State U.; TN	599,868	Innovation Approach for Integrating health Care Providers into Food Borne Illness Prevention for Older Adults
U. of California, Davis; CA	595,589	Evaluation & Application of Practices for Controlling Salmonella in Nuts & Nut Products
U. of Illinois at Chicago; IL	599,999	Menu for AIDS Patients to Eat Safely
Michigan State U.; MI	599,939	Foodborne Norovirus in Elder Care Facilities
U. of Tennessee; TN	596,287	Investigating Food Safety Self-Efficacy in Adolescent Populations
U. of Minnesota; MN	600,000	Development of an Integrated Multi-Level Food Safety Training Program for Spanish-Speaking Food Service Workers.
Iowa State U.; IA	598,607	Customization of Food Safety Messaging for Retail foodservice Employees
U. of Georgia; GA	598,541	Enhancing the Safety of Locally Grown Produce Through Research and Extension
U. of Florida; FL	597,808	Integrated Needs Assessment & National Training Program to Enhance Seafood & Aquaculture Product Safety
Board of Regents, U. of Nebraska, Lincoln; NE	599,992	Food Safety Assistance for Small Meat & Poultry Processor
California Polytechnic State U.; CA	596,029	Predictive Growth Models for Escherichia coli 0157:H7 on Fresh-Cut Produce during Transport & Cold Chain Distribution
Colorado State U.; CO	1,084,429	Quantifying Microbial Risks during Growth of Produce
Ohio State U.; OH	999,989	Pathogen Inactivation in Fresh Produce
U. of Maryland; MD	599,924	Online Integrated Food Safety Risk Analysis Resource to Facilitate National & International Information Exchange
Board of Regents of the U. of Wisconsin System; WI	600,000	Modeling Persistence of Non-0157 Shiga Toxin-Producing Escherichia coli in Beef Slaughter & Validation of Interventions Used in Processing
Oklahoma State U.; OK	968,497	Filth Fly Transmission of Human Enteric Bacteria to Pre-harvest Fresh Product
	<u>13,823,822</u>	

FY 2010 Institution; Location	Amount	Title
U. of California, Davis; CA	50,000	Center for Produce Safety Research Symposium
U of Illinois at Chicago; IL	600,000	Evidence-based Photovovella to Encourage Safe Meat Handling & Cooking Practices among Low Socio-economic Status African Americans
Rutgers, The State U. of New Jersey; NJ	600,000	Improving the Safety & Nutritional Adequacy of the Home Food Supply of Elderly Recipients of Home Delivered Meals
Purdue U.; IN	600,000	Helping Childbearing-Aged Women Make Informed Decisions Regarding Seafood Consumption
Board of Regents, U of Nebraska, Lincoln; NE	554,302	Food Safety for Diverse Families with Young Children
Sea Star International LLC; AR	600,000	Minimizing the Risk of Lm Cross-Contamination of Deli Foods
Texas Woman's U.; TX	600,000	Integrated Strategies to Reduce Foodborne Illness & Food Allergic Reactions Associated with Independently Operated Restaurants
Cornell U.; NY	600,000	Assessing Risks & Implementing Food Safe Practices
U. of Florida; FL	600,000	Assessing Safety of Enteric Pathogens on Fresh Produce Ingredients Destined for Uncooked Sauces/Salsa
U. of Connecticut; CT	600,000	Reducing Egg-borne Outbreaks of Salmonella Enteritidis
Colorado State U.; CO	600,000	Foodborne Pathogen Persistence
Cornell U.; NY	520,005	Enhancing the Safety of Non-thermally Processed Apple Juice
Virginia Polytechnic Institute & State U.; VA	600,000	Enhancing Food Safety through an Integrated Education & Outreach Program using Principles of Risk Management
Texas A&M U.; TX	1,000,000	Role of Surface-related Factors on Contamination & Survival of Pathogens in Fresh Produce Grown in Texas & Mexico
Washington State U.; WA	2,000,000	Minimizing Antibiotic Resistance Transmission
Kansas State U.; KS	600,000	Assessment & Reduction of Produce Food Safety Risks in the School Foodservice System
U. of Delaware; DE	50,000	Framing the Message about Seafood for Consumers - A Consensus Building Workshop for Stakeholders
Ohio State U. Research Foundation; OH	1,000,000	An Integrated Approach to Prevent & Minimize Foodborne Enteric Viruses in Vegetables & Fruits

FY 2010 Institution; Location	Amount	Title
Kansas State U.; KS	2,000,000	Practical Interventions to Effectively Manage Antibiotic Resistance in Beef & Dairy Cattle Systems
Total	13,774,307	

FY 2011 Institution; Location	Amount	Title
U. of Massachusetts Amherst; MA	424,878	Food Safety from Farm and Garden to Preschool
U. of Tennessee; TN	542,977	Building Better Food Safety Education Programs: How Optimizing Fidelity of Implementation can Maximize Desired Outcomes
Clemson U.; SC	542,999	Hand Hygiene Promotion: An Essential Strategy for Preventing Foodborne Illness in Elementary Schools
Michigan State U.; MI	543,000	Development and Evaluation of Standardized Competency-Based Food Safety Education and Training Programs for the Food Industry
Board of Regents of the U. of Wisconsin; WI	541,313	Bridging the Gap: Integrated Research and Extension in Support of Small Food Processors of Acidified Canned Foods
Fort Valley State U.; GA	100,000	Cost-Effective Pathogen Reduction Strategies and Food Safety Training for Small and Very Small Meat Processors in Georgia
Texas Tech U.; TX	540,326	Solutions for the Food Safety Threat Posed by Salmonella in the Lymph Nodes of Cattle Presented for Harvest
Pennsylvania State U.; PA	542,607	Development of an Updated and Optimized Egg Quality Assurance Program to Minimize Salmonella Enteritidis Contamination of Shell Eggs
Tennessee State U.; TN	100,000	An Integrated Approach to control Methicillin-Resistant Staphylococcus aureus and Clostridium difficile from Limited Resource Poultry
North Carolina State U.; NC	541,621	Farm-Level Practices to Reduce Campylobacter Prevalence in Commercial Turkeys
Arizona Board of Regents, U. of Arizona; AZ	542,969	The role of biofilms as a reservoir for foodborne pathogens in irrigation systems

FY 2011 Institution; Location	Amount	Title
Michigan State U.; MI	542,824	Improving Process Validation Methods for Multiple Pasteurization Technologies Applied to Low-Moisture Foods
Oklahoma State U.; OK	543,000	Advancement of a whole-chain, stakeholder driven traceability system for agricultural commodities: Beef Cattle Pilot Demonstration
U. of Georgia; GA	535,725	National Center for Home Food Processing and Preservation
Michigan State U.; MI	1,809,934	Integrated Approach to Enhance the Microbial Safety of Fresh-Cut Fruits and Vegetables during Processing, Packaging, and Distribution
Ohio State U.; OH	1,864,665	Reducing the transmission of AMR organisms by wildlife within the food supply-a research, control, and outreach strategy
Tuskegee U.; AL	<u>100,000</u>	Foodborne Pathogens Detection and Education Sustainable Agriculture for Small Scale Producers
Total	<u>10,358,838</u>	

Regional Pest Management Centers (PMC)					
Institution; Location	FY 2009 Amount	FY 2010 Amount	FY 2011 Amount	FY 2012 Amount	Title
U. of California; CA	\$974,598	\$974,848	\$712,036	\$951,455	Western Integrated PMC
Pennsylvania State U.; PA	974,598	974,848	712,036	951,455	PMC
Board of Trustees of the U. of Illinois; IL	974,598	974,848	712,036	951,455	North Central Integrated PMC
North Carolina State U.; NC	<u>974,598</u>	<u>974,848</u>	<u>712,036</u>	<u>951,455</u>	Southern Integrated PMC
Total	<u>\$3,898,392</u>	<u>\$3,899,392</u>	<u>\$2,848,144</u>	<u>\$3,805,820</u>	

Crops at Risk for FQPA Implementation FY 2009		
<u>Institution; Location</u>	<u>Amount</u>	<u>Title</u>
Michigan State U.; MI	\$554,558	Integrating Applied Insect Ecology into Blueberry Pest Management
Virginia Polytechnic Institute & State U.; VA	170,133	Integrated Management of Snap Bean Pythium Cottony Leak
Regents of the U. of California; CA	299,259	To Repel or Kill: A Population Ecology Approach to Developing a New Model for Horn Fly Management in Beef & Dairy Cattle Systems
Regents of the U. of California; CA	260,309	Management of Alfalfa Trap Crops to Prevent First Generation Lygus Bug Damage in California Strawberries
Total	<u>1,284,259</u>	

FY 2010		
<u>Institution; Location</u>	<u>Amount</u>	<u>Title</u>
Cornell U.; NY	\$230,000	A Novel Extension/Education Experience in IPM Systems for Undergraduate and Graduate Students in Plant Pathology
Cornell U.; NY	330,995	Critical Research & Extension to Reduce Losses due to Strawberry Powdery Mildew
Montana State U.; MT	218,419	DNC Barcoding to Unlock the Puzzle of Wireworm Pest Identities in Northern Great Plains Region
U. of Florida; FL	512,379	Sustainable Approach for Integrated Management of Herbicide Resistant Hydrilla in the U.S.
Total	<u>1,291,793</u>	

FQPA Risk Mitigation Program for Major Food FY 2009		
<u>Institution; Location</u>	<u>Amount</u>	<u>Title</u>
Regents of the U. of California; CA	\$627,600	Integrated Pest Management of the potato Psyllid & Candidatus Liberibacter Psyllaourous
U. of Wisconsin, Madison; WI	811,565	Advancing Sustainable Disease Management on Field Corn
Montana State U.; MT	668,820	Sheep Grazing as a Pest Management Tacti in a Minimum Till Rotational Cropping System
Washington State U.; WA	2,048,490	Area-wide Management of Potato Pests in the Pacific Northwest
Total	4,156,475	

FY 2010		
<u>Institution; Location</u>	<u>Amount</u>	<u>Title</u>
Texas Agrilife Extension Service; TX	\$225,598	Internships to Develop IPM Professionals
Clemson U., SC	1,154,161	Innovative Nematode Management Strategies to Reduce Pesticide Usage While Enhancing Farm Profit & Environmental Quality
Washington State U.; WA	828,811	New Way of Managing Soil Borne Diseases of Raspberry in Western States
Oklahoma State U.; OK	1,929,861	Web-based IPM System for Winter Wheat
Total	4,138,431	

Methyl Bromide (MB) FY 2009		
<u>Institution; Location</u>	<u>Amount</u>	<u>Title</u>
U. of Georgia; GA	\$448,910	Evaluation of Non-fumigant Pesticides as MB Alternatives
Pennsylvania State U.; PA	688,187	Phytosanitary Treatment to MB Fumigation for Wood
North Carolina State U.; NC	768,347	Integrated Management of Soilborne Pests in Strawberry and Vegetable Production Systems
Washington State U.; WA	696,339	Control of Fusarium Root Rot in Douglas-fir Seedling Nurseries
U. of Arkansas; AR	290,145	MB Alternatives for Yellow & Purple Nutsedge & Other Weeds in Tomato & Bell Pepper
Total	2,891,928	

FY 2010 Institution; Location	Amount	Title
Regents of U. of California; CA	\$500,000	Energy Efficient Steam Soil Disinfestation Systems for Flower and Strawberry
U. of Florida; FL	400,000	Large Scale Demonstration Trialing & Industry-wide Testing of MB Alternatives in Florida Strawberry
U. of Florida; FL	565,000	Multi-State Evaluation of Carbonated Fumigants and Low Permeable Tarps to Reduce Application Rate
Kansas State U.; KS	782,019	Evaluation, Integration, & Implementation of Non-Fumigation Based Pest Management Approaches
U. of Tennessee; TN	643,177	Advances Development & Implementation of Anaerobic Soil Disinfestation Technology
Total	2,890,196	

FY 2011 Institution; Location	Amount	Title
U. of Georgia; GA	174,831	Eliminating the Need for Fumigants in Southeastern Melon Production Using an Integrated Program of Heavy-Rye Residues Plus Herbicides
North Carolina State U.; NC	496,962	Advanced Systems for Integrated Management of Strawberry Soilborne Pests in the Southeast USA
Mississippi State U.; MI	499,701	Evaluation of methyl bromide alternatives for their efficacy at controlling pests of dry cured ham and aged cheese products
Arkansas State U.; AR	450,502	Integrated Pest Management Programs to Reduce Reliance on Methyl Bromide Fumigation in Rice Mills
U. of Florida; FL	272,226	Multi-state investigation into odor abatement and reduced application rates of a carbonated fumigant, dimethyl disulfide
Total	1,894,222	

FY 2012 Institution; Location	Amount	Title
Pennsylvania State U.; PA	477,265	Dielectric Heating as an Alternative Phytosanitary Treatment to Methyl Bromide for Quarantine and Preshipment of Wood in International Trade

FY 2012 Institution; Location	Amount	Title
Michigan State U.; MI	181,403	Methyl Bromide Transition Strategies for Fresh Market Vegetable Production in Regions with Temperate Climate and Narrow Growing Window
U. of Florida; FL	360,185	Improving the efficacy of Methyl Bromide Alternatives for small fruit and vegetable production in Florida
U. of Tennessee; TN	421,084	Overcoming Obstacles to Adoption of Anaerobic Soil Disinfestation
Regents of the U. of California; CA	455,000	Implementing Anaerobic Soil Disinfestation for soilborne disease control in Strawberries and Apple Nurseries
Total	<u>1,894,937</u>	

Organic Transition Program FY 2009 Institution; Location	Amount	Title
North Carolina State U.; NC	\$658,769	Water Quality Evaluation of Long-Term Organic & Conventional Vegetable Production
Ohio State U. Research Foundation; OH	659,527	Impacts of Organic Animal Production Systems on Water Quality & Quantity in Ohio
Iowa State U.; IA	<u>433,568</u>	Enhancing Farmland Water Quality and Availability
Total	<u>1,751,864</u>	

FY 2010 Institution; Location	Amount	Title
U. of Wisconsin; WI	\$436,894	Impact of Organic Management on Dairy Animal Health
U. of Wyoming; WY	700,000	Solid Carbon & Nitrogen Dynamics
U. of Illinois; IL	649,883	Organic Systems & Climate Change
Iowa State U.; IA	691,969	Effect of Cover Crops, Soil Amendments & Reduced Tillage on Carbon Sequestration
U. Of New Hampshire; NH	700,000	Greenhouse Gas Emissions in the Transition from Traditional to Organic Dairy Farming
U. of Florida; FL	624,148	Environmental & Economic Costs of Transitioning to Organic Production
Texas AgriLife Extension Service; TX	697,012	Integrating Community College Students & Organic Farmers

FY 2010 Institution; Location	Amount	Title
North Carolina State U.; NC	<u>251,161</u>	Evaluating the Potential of Winter Cover Crops for Carbon Sequestration in Degraded Soils
Total	<u>4,751,067</u>	

FY 2011 Institution; Location	Amount	Title
U. of Maryland; MD	403,777	Cover Crop and Tillage impact on Soil Quality, Greenhouse Gas Emission, Pests, and Economics of Fields Transitioning to Organic Farming
Washington State U.; WA	745,493	Greenhouse Gas Emissions and Soil Quality in Long-term Integrated and Transitional Reduced Tillage Organic Systems
Michigan State U.; MI	749,106	Effect of Cover Crops on Nitrous Oxide Emissions, Nitrogen Availability & Carbon Accumulation in Organic vs. Conventionally Managed Systems
U. of Missouri Bradford Research and Extension; MO	742,217	Identification of Factors Affecting Carbon Sequestration and Nitrous Oxide Emission in Three Organic Cropping Systems
Montana State U.; MT	742,907	Reducing tillage intensity in organic crop systems: ecological and economic impacts of targeted sheep grazing on cover crops, weeds & soil
North Carolina State U.; NC	399,745	Evaluating the potential of winter cover crops for carbon sequestration in degraded soils transitioning to organic production
North Dakota State U.; ND	<u>736,244</u>	Greenhouse Gas Emissions and Soil Quality in long-term integrated and transitional reduced tillage organic systems
Total	<u>4,519,489</u>	

FY 2012 Institution; Location	Amount	Title
Washington State U.; WA	695,078	Role of Mixed Crop-Livestock Systems in Transitioning to Dryland Organic Farming in the Pacific NorthWest

FY 2012 Institution; Location	Amount	Title
U. of Maryland; MD	716,773	Agricultural Greenhouse Warming Potential and Soil Carbon Sequestration in Organic and Long Term Rotational Systems
North Carolina State U.; NC	371,834	Assessing the greenhouse gas mitigation potential of organic systems in the Southeast
Cornell U.; NY	676,385	Optimizing cover crop selection and management to enhance agronomic and environmental services in organic cropping systems
Ohio State U.; OH	749,170	Assessing, Modeling, and Maximizing Ecosystem Services in Long-term Organic and Transitioning Farming Systems
Texas AgriLife Research & Extension Center at Beaumont; TX	255,004	Improving Soil Quality, C Sequestration, and Mitigating Greenhouse Gas Emission in Organic Rice Production
U. of Maryland; MD	<u>332,716</u>	Cover Crop and Tillage Impact on Soil Quality, Greenhouse Gas Emission, Pests, and Economics of Fields Transitioning to Organic Farming
Total	<u>3,796,960</u>	

International Science and Education Grants FY 2009 Institution; Location	Amount	Title
Purdue U.; IN	\$149,746	Multicultural Perspectives on Sustainable Agriculture
Cornell U.; NY	149,355	Enhancing Water Sustainability in a Water Scarc Region in Africa
Pennsylvania State U.; PA	149,993	Ag 2 Africa
U. of Georgia; GA	87,095	Croatia Agriculture Research & Educational Exchange
U. of Rhode Island; RI	149,723	Biodiversity Certification Models
Alabama A&M U.	149,958	Strengthen Minority in Global Perspectives
North Carolina A&T State U.; NC	149,261	Enhancing the International Agricultural Campus
Oregon State U.; OR	149,999	Proposal to Create a Quarter Abroad Program at Universidad Austral de Chile
Rutgers, The State U. of New Jersey; NJ	149,955	Integrating Teaching, Research & Extension in the Supply Chain of the Lentil Industry

FY 2009 Institution; Location	Amount	Title
Texas Tech U.; TX	149,572	Economic Research, Education & Outreach on the US & Brazilian Cotton Industries
Michigan State U.; MI	143,849	Michigan-French Partnership to Strengthen Global Competence in Ag & Tourism
Texas A&M U.; TX	149,999	Research, Education & Extension Program for Sustainable Manure Management Practices, Learning from the Belgian Model
West Texas A&M U.; TX	106,400	West Texas International Program in Systems Agriculture & Environmental Science
West Virginia U.; WV	125,187	Formalizing International Natural Resource Learning
U. of Minnesota; MN	148,871	Food Safety & Food Defense in the Americas
U. of Missouri; MO	139,905	Enhance International collaboration in Food Safety Education & Research to Combat Food Contamination through the Global Food Chain
Kansas State U.; KS	140,370	Understanding International Consumer Needs & Testing Strategies for Food Product Development
Mississippi State U.; MS	149,825	US-China Partnership
Clemson U.; SC	149,546	International Collaboration to Understand Molecular Mechanisms of Vegetative/Reproductive Transition in Gymnosperms
Tuskegee U.; AL	145,119	Strengthening Global Competence of Veterinary & Graduate Students
Auburn U.; AL	15,427	Sharpening US Global Agriculture Competitiveness via American-Spanish Research, Education & Extension
Total	2,849,155	

FY 2010 Institution; Location	Amount	Title
Cornell U.; NY	\$149,764	The Global Agriculture Network
North Carolina A&T State U.; NC	149,973	Enhancing US agribusiness Expansion to Emerging Markets
Southern U. & A&M College; LA	150,000	Strengthening the Global Competence of Minority Students
Purdue U.; IN	150,000	Sub-Saharan Context for Internationalizing Crop, Soil, & Environmental Science Curricula
U. of Wyoming; WY	149,911	Opportunities for Education & Research Enhancements through Partnerships with New Zealand
U. of Florida; FL	150,000	International Alliance for Functional Food Research, Education, & Extension
East Carolina U.; NC	148,456	Strengthening the Global Competence of Faculty & Students through Partnership with China
U. of Arizona; AZ	149,258	Building Global Access to Sustainable Rangeland Management Resources for Research, Teaching, and Extension
Auburn U.; AL	134,560	Sharpening US Global Agriculture Competitiveness via American- Spanish Research, Education & Extension
U. of Nevada, Reno; NV	149,997	Global Changes in Arid Ecosystems
Michigan State U.; MI	149,975	Globalization of Food Systems Training Programs for Veterinary Students
Colorado State U.; CO	149,899	International Research & Education Collaboration with India and China in Agriculture & Precision Agriculture
Clemson U.; SC	148,058	Enhancing the Sustainability of Livestock Production Systems on the Southeastern US
U. of California; CA	147,454	Water Sustainability in Desert Agriculture
U. Kentucky; KY	150,000	Globalizing Agricultural Education
U. of Georgia; GA	150,000	TransAtlantic Precision Agriculture Consortium
Iowa State U.; IA	149,879	Preparing Current & Future Food and Ag Professionals for the US and China-Led Global Economy
U. of Wisconsin; WI	149,940	Understanding & Mitigating Potential Food Safety Risks on Dairy Farms in Kosovo and the US
U. of Delaware; DE	150,000	Agriculture's Global Challenges
U. of Missouri; MO	12,539	Internationalization of Forestry, Education, Research & Extension:
		US - Costa Rica Cooperation
Total	<u>2,839,663</u>	

FY 2011 Institution; Location	Amount	Title
Board of Regents, U. of Nebraska Lincoln; NE	149,579	It's All About TEF: Internationalizing Teaching, Extension and Farming Research in Ethiopia
Rutgers, State U. of New Jersey; NJ	98,937	Adaptation to Climate Change in Agriculture: Experience and Lessons from China
Curators of the U. of Missouri; MO	136,365	Internationalization of Forestry Education, Research and Extension: U.S. Costa Rica Cooperation
George Mason U.; VA	148,264	Enhancing Knowledgeable Agricultural Decision Support in Global Perspectives
Kansas State U.; KS	149,663	Raising the Global Intelligence Quotient of U.S. Workforce via Food Security and Agricultural Value Addition in Mozambique
U. of Georgia; GA	149,801	U.S. India Bioenergy Partnership
U. of South Carolina; SC	98,926	U.S. China Joint Program on Forestry Biomass Utilization for Sustainable Materials and Nanotechnologies
Total	931,535	

Critical Issues-Plant and Animal Disease FY 2009 Institution; Location	Amount	Title
Colorado State U.; CO	\$15,300	Monitoring for Thousand Cankers Disease of Juglans in Western US
Oregon State U.; OR	7,132	Rapid On-site Detection Method for Vibrio tubiashii in Shellfish Hatcheries
U. of Florida; FL	90,000	Improving Ambrosia Beetle Management by Understanding & Exploiting Beetle-host Interactions
Rutgers, The State U. of New Jersey; NJ	90,000	Biology, Distribution & Pest Status of the Brown Marmorated Stink Bug in Agronomic, Fruit & Vegetable Crops, & Urban Areas
Ohio State U.; OH	90,000	Determining the Distribution & Pest Status of the Trochanter Mealybug on Soybean
U. of Florida; FL	89,958	Management Strategies for the Red Bay Ambrosia Beetle on Avocado

FY 2009 Institution; Location	Amount	Title
Colorado State; CO	172,307	Management of Agricultural Animals in a Radiological or Nuclear Incident
Texas A&M U.; TX	127,620	Effective Contamination Detection for Livestock following a Radiological Event
Total	682,317	

FY 2010 Institution; Location	Amount	Title
Virginia Polytechnic Institute & State U.; VA	\$200,000	Development of DNA-based Nanoscale Optical Fiber Biosensor Assay to Detect Brucella Infections in Elk other Wildlife
U. of Florida; FL	131,122	Determining Host & Geographic Ranges of Groundnut Ringspot Virus in US Tomatoes
U. of Hawaii; HI	109,955	Post-harvest Management of Slugs & Snails Potentially Carrying Rate Lungworm in Hawaii
U. of California; CA	124,296	Host Susceptibility, Geographic Distribution, & Management of the Invasive Bagrada Bug in the US
Oklahoma State U.; OK	113,649	Time-critical Assessment of Potential Distribution of the Bagrada Bug
Total	679,022	

Homeland Security Recipient	Fiscal Year 2009	Fiscal Year 2010	Title
Cornell U.	984,410	830,000	Northeast Plant Diagnostic Network
Michigan State U.	830,350	942,780	North Central Plant Diagnostic Network
Purdue U.	248,250	250,000	National Database/National Network; Diagnostic Center
U. of California	830,350	830,000	Western Regional Center in the National Diagnostic Network

Homeland Security Recipient	Fiscal Year 2009	Fiscal Year 2010	Title
Murray State U.	50,000	50,000	National Animal Health Laboratory Network Georgia National Animal Health
U. of Georgia	298,000	298,000	Georgia National Animal Health Laboratory Network Program
Wyoming State Veterinary Laboratory	50,000	50,000	National Animal Health Laboratory Network
Utah State U.	50,000	50,000	National Animal Health Laboratory Network
U. of Florida	830,350	830,000	Southern Plant Diagnostic Network
Kansas State U.	830,350	830,000	Great Plains Diagnostic Network
AZ Board of Regents, U. of Arizona	298,000	298,000	National Animal Health Laboratory Network
State of Tennessee, Dept of Agriculture	50,000	50,000	National Animal Health Laboratory Network
U. of Nebraska	50,000	50,000	Further Integration of the Nebraska Vet., Diagnostic Ctr., into the Nat'l Animal Health Laboratory Network
U. of California	308,000	298,000	National Animal Health Laboratory Network
Washington State U.	308,000	308,000	Washington Animal Health Disease Diagnostic Laboratory
Cornell U.	298,000	298,000	National Animal Health Laboratory Network
U. of Minnesota	50,000	50,000	National Animal Health Laboratory Network
U. of Wisconsin-Madison	298,000	298,000	National Animal Health Laboratory Network
Iowa State U. of Science/Tech	298,000	298,000	National Animal Health Laboratory Network
Colorado State U.	298,000	298,000	National Animal Health Laboratory Network

Homeland Security Recipient	<u>Fiscal</u> <u>Year 2009</u>	<u>Fiscal</u> <u>Year 2010</u>	Title
Purdue U.	50,000	50,000	National Animal Health Laboratory Network
Purdue U.	485,000	499,000	EDEN Homeland Security Initiative
Oregon State U.	50,000	50,000	National Animal Health Laboratory Network
Mississippi State U.	50,000	50,000	National Animal Health Laboratory Network
Ohio Department of Agriculture	50,000	50,000	ODA NAHLN Supplemental Agreement for IT and Equipment Support
Louisiana State U.	298,000	298,000	National Animal Health Laboratory Network
Kansas State U.	50,000	50,000	National Animal Health Laboratory Network
South Dakota State U.	50,000	50,000	National Animal Health Laboratory Network
Florida Dept. of Agriculture/ Consumer Service	298,000	298,000	Homeland Security-Agricultural
NC Department of Agriculture/ Consumer Service	298,000	298,000	National Animal Health Laboratory Network
New Jersey Department of Agriculture	50,000	50,000	National Animal Health Laboratory Network
Texas Veterinary Medical Diagnostic Lab	298,000	298,000	National Animal Health Laboratory Network
New Mexico Department of Agriculture	50,000	50,000	New Mexico ALIRT Program
Michigan State U.	50,000	50,000	National Animal Health Laboratory Network
Pennsylvania Department of Agriculture	<u>50,000</u>	<u>50,000</u>	National Animal Health Laboratory Network
Total	<u>9,435,060</u>	<u>9,397,780</u>	

Homeland Security Recipient	Fiscal Year 2011	Fiscal Year 2012	Title
U. of Georgia Research Foundation, Inc.	182,000	182,000	(NAHLN) National Animal Health Laboratory Network, GA
Arizona Board of Regents, U. of Arizona	182,000	182,000	National Animal Health Laboratory Network: AZ
University of Wisconsin-Madison	182,000	182,000	NAHLN WI:2011
Ohio Department of Agriculture	31,000	31,000	ODA NAHLN supplemental agreement for IT and equipment support
State of Tennessee, USDA	31,000	31,000	NAHLN
Texas Veterinary Medical Diagnostic Laboratory	182,000	182,000	National Animal Health Laboratory Network (NAHLN) for the Food and Agriculture Defense Initiative
Oregon State University	31,000	31,000	NAHLN: OR
South Dakota State U.	31,000	31,000	NAHLN: SD
Board of Regents, U. of Nebraska Lincoln	31,000	31,000	Further Integration of the Nebraska Veterinary Diagnostic Center into the National Animal Health
Florida Department of Agriculture and Consumer Services	182,000	182,000	Homeland Security Agriculture
Purdue U.	304,575	305,000	EDEN Homeland Security Initiative VI: Strengthening EDEN's Role in Homeland Security, Food Ag Defense, and All-Hazard Education
North Carolina Department of Agriculture & Consumer Services	182,000	182,000	NAHLN: NC
Utah State U.	31,000	31,000	NAHLN: UT
Colorado State University	182,000	182,000	NAHLN: CO Animal Health Diagnostic Laboratory 2011-2012
Cornell University	182,000	182,000	National Animal Health Laboratory Network: NY
U. of Wyoming	31,000	31,000	NAHLN Testing University of Wyoming, Wyoming State Veterinary Laboratory

Homeland Security Recipient	Fiscal Year 2011	Fiscal Year 2012	Title
U. of Minnesota	31,000	31,000	NAHLN: MN
Pennsylvania, USDA	31,000	31,000	NAHLN: PA
New Jersey, USDA	31,000	31,000	NAHLN: NJ
Mississippi State U.	31,000	31,000	NAHLN: MS
Purdue U.	31,000	31,000	NAHLN Laboratory Network for the Food and Agriculture Defense Initiative
Regents, U. of California, Davis	182,000	182,000	NAHLN: CA
Louisiana State U.	182,000	182,000	NAHLN: LA
Michigan State U.	31,000	31,000	NAHLN: MI
Murray State U.	31,000	31,000	NAHLN: KY
Iowa State U. of Science and Technology	182,000	182,000	NAHLN: IA
New Mexico State U.	31,000	31,000	New Mexico Agriculture Livestock Incident Response Team
Kansas State U.	31,000	31,000	NAHLN: KS
Cornell U.	500,000	500,000	Northeast Plant Diagnostic Network
Purdue U.	175,000	175,000	NFDN National Database/National Network of Diagnostic Centers
Michigan State U.	575,425	575,940	North Central Plant Diagnostic Network
U. of Florida	500,000	500,000	Southern Plant Diagnostic Network
Regents of the U. of California	500,000	500,000	Western Regional Center in the National Plant Diagnostic Network
Kansas State U.	500,000	500,000	Great Plains Diagnostic Network
Total	5,735,000	5,735,940	

Organic Research and Extension Initiative FY 2009 Institution; Location	Amount	Title
Cornell U.; NY	\$894,069	Summer Cover Crops for Weed Suppression and Soil Quality in Organic Vegetable Production in the Great Lakes Region
Iowa State U. of Science and Technology; IA	1,047,024	Sustainable Systems for Cucurbit Crops on Organic Farms

FY 2009 Institution; Location	Amount	Title
The U. of Vermont and State Agricultural College; VT	946,675	Using New Alternatives to Enhance Adoption of Organic Apple Production through Integrated Research and Extension
Washington State U.; WA	46,794	No-till organic vegetable production in western Washington: A Planning Proposal
Regents of the University of Minnesota; MN	38,466	Integrated Organic Dairy Research and Extension planning
Michigan State U.; MI	1,049,674	Practical Perennials: Partnering with farmers to develop a new type of wheat crop
North Carolina State U.; NC	1,174,942	Farmer Driven Breeding: Addressing the Needs of Southeastern Organic Field Crop Producers
Utah State U.; UT	637,519	Organic Stone-Fruit Production: Optimizing Water Use, Fertility, Pest Management, Fruit Quality and Economics
Cornell U.; NY	1,431,591	Building on success: a research and extension initiative to increase the prosperity of organic grain and vegetable farms
Organic Seed Alliance; WA	46,281	The Seed We Need Working Group, Symposium, and Action Plan for the Advancement of Organic Seed Systems
U. of Guam; GU	41,616	Training Conference to Develop Certification Inspectors to Enable organic Agriculture on Guam and the American Affiliated Pacific
Sustainable Agricultural Systems Lab; MD	759,480	On-Farm Research and Extension to support Sustainable Nutrient Management of Organic Grain Cropping Systems in the Mid-Atlantic Region
U. of Maine System acting through the U. of Maine; ME	1,320,378	Enhancing farmers capacity to produce high quality organic bread wheat
Oregon State U.; OR	522,108	Northern Organic Vegetable Improvement Cooperative
U. of Nebraska, Lincoln; NE	1,419,710	Improving Organic Farming Systems and Assessing their Environmental Impacts across Agroecoregions
Pennsylvania State U.; PA	538,415	Improving Weed and Insect Management in Organic Reduced - Tillage Cropping Systems
Washington State U.; WA	410,077	Plant breeding and agronomic research for organic hop production systems

FY 2009 Institution; Location	Amount	Title
U. of Hawaii; HI	47,500	Hua Ka Hua - Restore Our Seed: A symposium to develop a Hawaii Public Seed Initiative
The Ohio State U. Research Foundation; OH	1,089,190	Enhancing Productivity and Soilborne Disease Control in Intensive Organic Vegetable Production with Mixed - Species Green Manures
U. of Hawaii; HI	351,028	Vermicompost - based media to enhance organic vegetable seedling vigor, yield, crop quality and grower profitability
Regents of the U. of California; CA	372,135	Researcher and Farmer Innovation to Increase Nutrient Cycling on Organic Farms
Washington State U.; WA	1,040,210	Sustainable Dryland Organic Farming Systems in the pacific Northwest
The Ohio State U.; OH	470,696	Mental models and participatory research to redesign extension programming for organic weed management
Board of Regents, U. of Nebraska, U. of NE - Lincoln; NE	69,806	High Pressure Processing of natural, Organic, and Minimally-Processed Peanut Butter
The Board of Regents of the UW System; WI	541,172	Organic Certified Seed Potato Production in the Midwest
Oregon State University; OR	317,182	eOrganic: the National Online Information, Training, and Networking System for Organic Agriculture
U. of Wyoming; WY	<u>574,621</u>	Marketing opportunities and constraints confronting organic farming operations in the high plains
Total	<u>\$17,198,359</u>	

FY 2010 Institution; Location	Amount	Title
U. of Wisconsin, Madison; WI	\$574,621	Strategies of Pasture Supplementation on Organic and Conventional Grazing Dairies: Assessment of Economic, Production and Environment Outcomes
Utah State U.; UT	1,019,411	Improved Organic Milk Production Through the Use of the Condensed Tannin-Containing Forage Legume Birdsfoot Trefoil
Texas A&M U.; TX	661,437	Development of Cultivars and IPM Strategies for Organic Cotton Production

FY 2010 Institution; Location	Amount	Title
USDA, Agricultural Research Service, Southern Plains Area; TX	967,916	A systems Approach to Control Gastrointestinal Nematodes in Organic Small Ruminant Production
Farmers Legal Action Group, Inc.; MN	109,200	Farmers Legal Action Group Production of an Organic Farmers Guide to Contracts
Michigan State U.; MI	963,762	Organic Dry Bean Production Systems
Michigan State U.; MI	188,531	Holistic Integration of Organic Strategies and High Tunnels for Midwest/Great Lakes Fruit Production
Purdue U.; IN	1,288,010	Economics, Ecology, Education: An Integrated Approach to Ensure the Success of Organic Vegetable Growers
South Dakota State U.; SD	43,809	Sustainable Organic Tribal Bison Production Using an Intra-Tribal Supply Chain Management System: A planning Grant Proposal
The University of Georgia Research Foundation, Inc.; GA	45,713	Low Energy Agro-Ecological Farming (LEAF)
USDA, Agricultural Research Service, Midwest Area; CO	49,666	Environmental sustainability of Organic Farming Systems: On-Farm, Experimental, and Watershed Assessments
University of New Hampshire; NH	31,372	Research and Extension Needs Assessment of the Organic Dairy Industry in the Northeast
Oregon State U.; OR	2,428,677	Organic Blackberry Production Systems for Improved Yield, Fruit Quality, and Food Safety in Fresh and Processed Markets
Regents of the U. of Idaho; ID	108,815	Host plant choice of Colorado potato beetle and variation in defoliation and yield losses among organically grown commercial potato varieties
The U. of Vermont and State Agricultural College; VT	759,516	Development of Tech. Training and Support for Ag. Service Providers & Farmers in Certified Organic Dairy Production Systems through eOrganic
The U. of Arizona; AZ	950,514	Improving the Safety and Quality of Organic Leafy Greens: Assessment of Good production Practices Along the Farm to Fork Continuum
U. of Maryland; MD	526,781	Using winter cover crops to enhance the organic vegetable industry in the mid-Atlantic region
Washington State U.; WA	1,538,115	Carbon Sequestration, Nutrient Bioavailability, and Environmental Services from Organic Agriculture
West Virginia U.; WV	31,344	Organic Sheep and Goats: Herd Health and Nutrition Planning Proposal for the Northeast US 2010

FY 2010 Institution; Location	Amount	Title
U. of Minnesota; MN	1,273,250	Tools for Organic Transition: Financial Data and Educational Resources for Farmers and Agricultural Professionals
The U. of Tennessee; TN	50,000	Pasteurization of High Quality Organic Fruit and Vegetable Juices using Nonthermal LTechnologies
The Board of Regents of the UW System; WI	658,735	Crop Plant Nutrition and Insect Response in Organic Field Crop Production: Linking Farmer Observation to University Research and Extension
Iowa State U.; IA	2,864,478	Strengthening public corn breeding to ensure that organic farmers have access to elite cultivars
Pennsylvania State U.; PA	678,797	Improving Weed and Insect Management in Organic Reduced-Tillage Cropping Systems
Oregon State U.; OR	620,066	Northern Organic Vegetable Improvement Collaborative (NOVIC)
The Ohio State U.; OH	684,496	Mental Models and Participatory Research to Redesign Extension Programming for Organic Weed Management
Total	<u>\$19,117,032</u>	

FY 2011 Institution; Location	Amount	Title
Regents of U. of Minnesota; MN	380,923	Improving Soybean and Dry Bean Varieties and Rhizobia for Organic Systems
U. of New Hampshire; NH	2,863,915	Assisting Organic Dairy Producers to Meet the Demands of New and Emerging Milk Markets
USDA, ARS; TX	640,605	Use of Natural Strategies to Alleviate Enteric Pathogens in Organic Poultry
Pennsylvania State U.; PA	2,296,803	Finding the Right Mix: Multifunctional Cover Crop Cocktails for Organic Systems
USDA-ARS-MWA; CO	2,097,770	Carrot Improvement for Organic Agriculture with added Grower and Consumer Value
Oregon State U.; OR	475,835	Development of non-antibiotic programs for fire blight control in organic apple and pear
Regents of U. of California; CA	2,608,205	Collaborative Research and Extension Network for Sustainable Organic Production Systems in Coastal California

FY 2011 Institution; Location	Amount	Title
Auburn U.; AL	881,829	Development and Participatory Implementation of Integrated Organic Pest Management Strategies for Crucifer Vegetable Production in the South
Northeast Organic Farming Association of New York, Inc.; NY	49,663	Northeast Organic Farming Research Symposium
Washington State U.; WA	45,239	International Organic Fruit Symposium
Downstream Strategies, LLC; WV	50,000	Overcoming the Market Barriers to Organic Production in West Virginia
Tuskegee U.; AL	49,886	Organic Farming Planning Proposal for Research and Extension in Alabama
Michigan State U.; MI	45,695	Co-Creating Research and Extension Objectives for Organic Management of the Brown Marmorated Stink Bug
New Mexico State U.; NM	36,102	Planning for Enhanced Economic Sustainability of Organic Peanut Farming in the Southwest
Cornell U.; NY	2,356,999	Value-added grains for local and regional food systems
Washington State U.; WA	28,891	Conference for Dryland Organic Agriculture in the Pacific Northwest: Addressing Constraints to Production, Economics & Sustainability
Ohio State U.; OH	896,092	Whole farm approach incorporating pasture raised organic poultry and a novel cereal grain (Naked Oats) into an organic rotation
Oregon State U.; OR	46,580	Western Regional Functional Agricultural Biodiversity Planning Grant
Ohio State U.; OH	651,407	Mental Models and Participatory Research to Redesign Extension Programming for Organic Weed Management
Pennsylvania State U.; PA	670,847	Improving Weed and Insect Management in Organic Reduced-Tillage Cropping System
Oregon State U.; OR	626,728	Northern Organic Vegetable Improvement Cooperative
Michigan State U.; MI	427,961	Holistic Integration of Organic Strategies and High Tunnels for Midwest/Great Lakes Fruit Production
Arizona Board of Regents, U. of Arizona; AZ	884,074	Improving the safety and Quality of Organic Leafy Greens: Assessment of Good Production Practices along the Farm to Fork Continuum
Total	<u>\$19,112,049</u>	

FY 2012 Institution; Location	Amount	Title
Regents of U. of Minnesota; MN	1,924,693	Strategies to Improve Profitability of Organic Dairy Herds in the Upper Midwest
Rutgers - State U. of New Jersey; NJ	2,672,327	Whole-Farm Organic Management of BMSB and Endemic Pentatomids through Behaviorally-Based Habitat Manipulation
North Carolina State U.; NC	1,262,855	Creating an Organic Plant Breeding Center
Montana State U.; MT	1,499,815	Targeted grazing to reduce tillage: Environmental, ecological, and economic assessment of reintegrating animal and crop production
U. of Tennessee; TN	1,990,879	Alternative post-harvest washing solutions to enhance the microbial safety and quality of organic fresh produce
Washington State U.; WA	1,603,653	Developing adapted varieties and optimal management practices for quinoa in diverse environments
West Virginia U.; WV	1,850,360	Forage-based Parasite control in Sheep and Goats in the Northeast U.S.
Cornell U.; NY	1,962,562	Addressing Critical Pest Management Challenges in Organic Cucurbit Production
USDA, ARS; TX	586,235	Use of Natural Strategies to Alleviate Enteric Pathogens in Organic Poultry
Regents of U. of Minnesota; MN	1,069,999	Improving Soybean and Dry Bean varieties and Rhizobia for Organic Systems
Arizona Board of Regents, U. of Arizona; AZ	1,072,766	Improving the Safety and Quality of Organic Leafy Greens: Assessment of Good Production Practices Along the Farm to Fork Continuum
Oregon State U.; OR	539,344	Northern Vegetable Improvement Collaborative
Ohio State U.; OH	420,636	Mental Models and Participatory Research to Redesign Extension Programming for Organic Weed Management
Pennsylvania State U.; PA	659,220	Improving Weed and Insect Management in Organic Reduce-Tillage Cropping Systems
Total	<u>19,115,344</u>	

Specialty Crop Research Initiative FY 2009 Institution; Location	Amount	Title
Washington State U. Agricultural Research Center; WA	\$1,999,002	Biodegradable Mulches for Specialty Crops Produced Under Protective Covers
Washington State U.; WA	1,821,721	Agronomic and Biochemical Impacts of Biotic and Abiotic Stress on Pacific Northwest Flavor Crops
Washington State U.; WA	46,146	Development of a Smart Targeted Spray Application Technology Roadmap for Specialty Crops
Washington State U.; WA	474,115	Tree Fruit GDR: Translating Genomics into Advances in Horticulture
The Board of Trustees of the U. of Illinois; IL	1,951,981	Integrated Genomics and Management Systems for Control of Fire Blight
Cornell U.; NY	50,000	Establishing a Broccoli Industry in the Eastern United States
Cornell U.; NY	50,000	Planning to Expand the New Knowledge Fusion Model: Spurring Innovations for Specialty Crops
Cornell U.; NY	49,979	Addressing Research and Extension Needs of the Emerging Cold-Climate Wine Industry in the Northeast and Upper Midwest
Cornell U.; NY	47,297	Developing a Team to Address Major Viticultural, Enological & Market Driven Challenges to a Strong & Sustainable Eastern Wine Industry
U. of Georgia; GA	774,581	Advancing Onion Postharvest Handling Efficiency & Sustainability by Multimodal Quality Sensing, Disease Control, and Waste Stream Management
Michigan State U.; MI	1,831,469	RosBREED-Enabling marker-assisted breeding in Rosaceae
U. of Florida; FL	1,894,904	A multi-disciplinary approach to sustainability and profitability of US blueberry production using the tree-like species <i>Vaccinium arboreum</i>
U. of Florida; FL	23,126	Improving the profitability of blueberry production with a comprehensive precision agriculture program
U. of Arkansas, Fayetteville; AR	1,463,234	Management of Virus Complexes in <i>Rubus</i>
U. of Maine System Acting Through U. of Maine; ME	1,023,805	Systems Approach to Improving the Sustainability of Wild Blueberry Production
Washington State U.; WA	3,891,952	A Total Systems Approach to Developing a Sustainable Stem-Free Sweet Cherry Production, Processing, and Marketing System
Washington State U.; WA	49,479	Placing Fruit Canopy Management Automation Technology in the Field

FY 2009 Institution; Location	Amount	Title
U. of Maryland, College Park; MD	5,161,495	Precision Irrigation & Nutrient Mgmt. for Nursery, Greenhouse & Green Roof Systems: Wireless Sensor Networks for Feedback & Feedforward Cont
Clemson U.; SC	48,947	Bridging Specialty Crop Producers & Institutional Food Purchasers: Distilling a Research & Extension Agenda in Support of Local Food Systems
Colorado State U.; CO	49,949	Planning Grant to Document the Health-Promoting Properties of Dry Beans and to Increase Consumption in the US
Michigan State U.; MI	22,903	Limiting bird damage to fruit crops: A planning program to identify research directions for the future
U. of Florida; FL	1,967,863	Laurel Wilt of Avocado: Mitigation and Management of an Exotic, Insect-Vectored Disease
USDA, ARS; PA	559,531	Manipulating Host - and Mate-Finding Behavior of Plum Curculio: Development of a Multi-Life Stage Management Strategy for a Key Fruit Pest
USDA Agricultural Research Service; PA	637,330	"FasTrack" a revolutionary approach to long generation cycle specialty crop breeding
USDA, Agricultural Research Service; CO	1,826,298	Intelligent Spray Systems for Floral and Ornamental Nursery Crops
Rutgers, The State U. of New Jersey; NJ	1,503,166	Locally Grown Ethnic Greens & Herbs: Demand Assessment and Production Opportunities
The Regents of the U. of California; CA	3,965,999	Increasing Consumption of Specialty Crops by Enhancing their Quality and Safety
Texas AgriLife Research-Amarillo; TX	3,900,889	Management of Zebra Chip to Enhance Profitability and Sustainability of US Potato Production
The Regents of the U. of California; CA	1,957,835	An invasive mealybug pest and an emerging viral disease: a dangerous mix for West coast vineyards
Biological and Integrated Pest Management Research Unit; PA	2,381,759	Development of comprehensive strategies to manage Potato Virus Y in potato and eradicate the tuber necrotic variants
Mississippi State U.; MI	422,964	Development of a Grape Community of Practice for the eXtension System
Oregon State U.; OR	1,392,933	Expansion of hazelnut production, feedstock, and biofuel potential through breeding for disease resistance and climatic adaptation

FY 2009 Institution; Location	Amount	Title
The Ohio State U.; OH	49,966	Identifying stakeholder needs for establishing urban specialty crops enterprise
Louisiana State University Agricultural Center; LA	518,749	Development of an eXtension Community of Practice (CoP) - All about Blueberries
Louisiana State University Agricultural Center; LA	2,841,987	Participatory Modeling and Decision Support for Improving Sweetpotato Production Efficiency, Quality and Food Safety
Total	<u>\$46,653,354</u>	

FY 2010 Institution; Location	Amount	Title
Cornell U.; NY	\$50,000	Development & Implementation of a National Web-Based Decision Support System for Apple IPM
Virginia Polytechnic Institute and State U.; VA	2,729,649	Integrated management of zoosporic pathogens and irrigation water quality for a sustainable green industry
USDA-ARS; CA	1,483,438	A diagnostic toolbox for integrated management of apple postharvest necrotic disorders
Cornell U.; NY	3,172,100	Developing an Eastern Broccoli Industry
Oklahoma State U.; OK	30,000	Defining Research and Extension Priorities for Pecan Production, Processing, Marketing and Consumer Utilization
Regents of the U. of California; CA	1,549,473	Recurrent Migrations of <i>Verticillium dahlia</i> : A Stealthy and Pervasive threat to California and US Specialty Crops
USDA-ARS Geneva; PA	49,316	Enhancing the Potential of Innovative Rootstock Technologies to Increase Profitability and Sustainability in U.S. Tree Fruit Production
U.S. Department of Agriculture; CA	562,035	Developing sustainable vineyard water management strategies for limited and impaired water supplies
The Pennsylvania State U.; PA	1,338,438	Determining the Roles and Limiting Factors Facing Native Pollinators in Assuring Quality Apple Production in Pennsylvania
U. of Florida; FL	2,939,056	Disease Management for sustainable strawberry production.

FY 2010 Institution; Location	Amount	Title
The Pennsylvania State U.; PA	50,000	Protective Structures for Berry Crop Production: Assessing Grower Needs and Market Potential
Michigan State U.; MI	46,050	Conserving Native Bees and Valuing their Services for Sustainable Specialty Crop Pollination
Purdue U.; IN	2,441,298	Developing LED Lighting Technology and Practices for Sustainable Specialty-Crop production
Texas AgriLife Research; TX	3,802,678	Plant Genetics and Genomics to Improve Drought and Salinity Tolerance for Sustainable Turfgrass Production in the Southern United States
Agricultural Research Service - USDA; MD	1,697,509	Innovative Technologies and Process Optimization for Food Safety Risk Reduction Associated with Fresh and Fresh-cut Leafy Green Vegetables
U. of Minnesota; MN	496,663	Development of an extension Community of Practice (CoP) - Rootstocks and Apple Varieties for the Eastern States (RAVES)
AZ Board of Regents on behalf of Arizona State U.; AZ	312,471	Asian Citrus Psyllid in California: an Economic Analysis of Efficient Management and Control Strategies
Virginia Polytechnic Institute and State U.; VA	3,796,693	Improved grape and wine quality in a challenging environment: An eastern US model for sustainability and economic vitality
U. of Illinois; IL	1,548,793	Impact and social acceptance of selected sustainable practices in ornamental crop production systems
Colorado State U.; CO	2,467,589	ipmPIPE and Innovative Disease Diagnostic tools for Onion Growers
The U. of Tennessee; TN	50,000	Developing a Commercial Edamame Industry in the Eastern US
Oregon State U.; OR	5,758,980	Biology and Management of Spotted Wing Drosophila on Small and Stone Fruits
Auburn U.; AL	604,771	A SMART Trap System for the Invasive Ambrosia Beetles in Production Nurseries
U. of California, Davis; CA	2,590,885	Precision Canopy and Water Management of Specialty Crops through Sensor-Based Decision Making
Regents of the U. of California; CA	2,518,477	Next-Generation Lettuce Breeding: Genes to Growers
Oregon State U.; OR	50,000	Feasibility study of automated full-chain traceability systems to improve food safety, quality and productivity of specialty crops

FY 2010 Institution; Location	Amount	Title
The Ohio State U.; OH	2,037,717	A Systems Approach to Managing Microbial Threats to Greenhouse Tomatoes
Northern Marianas College; MP	28,629	Artificial food storage cavern for improving the storability of taro and sweet potato produced in the Northern Mariana Islands
Michigan State U.; MI	1,945,978	ROSBREED-Enabling marker-assisted breeding in Rosaceae
Washington State U.; WA	519,741	Tree Fruit GDR: Translating Genomics into Advances in Horticulture
Total	<u>\$46,668,427</u>	

FY 2011 Institution; Location	Amount	Title
Iowa State U. of Science and Technology; IA	1,949,642	Bioplastic Container Cropping Systems: Green Technology for the Green Industry
Cornell U.; NY	2,091,357	Accelerating Grape Cultivar Improvement via Phenotyping Centers and Next Generation Markers
Auburn U.; AL	1,542,160	Magnetoelastic Biosensors for Detection of Pathogens on Globe Fruits
Clemson U.; SC	50,000	Containment, Remediation, and Recycling of Irrigation Water for Sustainable Ornamental Crop Production
U. of Massachusetts Amherst; MA	3,318,651	Pollination Security for Fruit and Vegetable Crops in the Northeast
ARS, Midwest Area; CO	1,332,040	Translational Genomics in Cucumber: Tool Development and Application for Recessive Disease Resistances
North Carolina State U.; NC	2,490,839	Developing of Grafting Technology to Improve Sustainability and Competitiveness of the U.S. Fruiting Vegetable Industry
Washington State U.; WA	49,506	Roadmap Development for U.S. Raspberry Producers: Forging Links between New Tools for Breeding Programs and Crop Markets
Saint Joseph's U.; PA	322,202	Marketing Vitamin D Mushrooms: A Case Study of Nutrition Marketing for Specialty Crops
USDA; CA	1,590,717	Developing the Genomic Infrastructure for Breeding improved Black Raspberries

FY 2011 Institution; Location	Amount	Title
Cornell U.; NY	2,511,333	Northern Grapes: Integrating viticulture, winemaking, and marketing of new cold-hardy cultivars supporting new and growing rural wineries
USDA, ARS; PA	5,739,966	Biology, Ecology, and Management of Brown Marmorated Sink Bug in Orchard Crops, Small Fruit, Grapes, Vegetables, and Ornamentals
North South Institute, Inc.; FL	284,106	Ethnic & Specialty Crops Research and Development: Local Food Networks & Heritage Marketing in Florida and Alabama
U. of Georgia Research Foundation, Inc.; GA	1,219,636	Systems approach at Improving the Long-Term competitiveness of U.S. Pecans based on their Nutritional and Health-Promoting Components
Michigan State U.; MI	2,044,335	Limiting bird damage in fruit crops: Integrating Economic, Biological, and Consumer Information to Develop Sustainable, Long-Term Solutions
Rutgers; State U. of New Jersey; NJ	1,866,558	Strategies for improving the United States responses to Fusarium, Downy Mildew and Chilling Injury to Production of Sweet Basil
U. of Maryland; MD	1,861,387	Developing Scientifically-based consensus Food Safety Metrics for Leafy Greens and Tomatoes
U. of California, Davis; CA	50,000	Sustainable Management of Canker Diseases to extend the Productive Life of Vines, Stone Fruits, and Nut Crops
Ohio State U.; OH	50,000	Reducing injury to fruit and vegetable crops caused by drift or volatility of herbicides applied to grow crops
Regents of U. of Minnesota; MN	903,909	Developing Native and Native-European Hybrid Hazelnut Germplasm and Agronomics for the Upper Midwest
Michigan State U.; MI	2,472,895	Development and Delivery of Resource-Efficient Ecologically Sustainable Fruit Production Systems for Apple and Cherry Producers
Board of Regents of U. of Wisconsin; WI	3,773,367	Improved breeding and variety evaluation methods to reduce acrylamide content and increase quality in processed potato products
Michigan State U.; MI	1,256,039	Genomics-Based approaches for improving Petunia Production Efficiency and Performance

FY 2011 Institution; Location	Amount	Title
Virginia State U.; VA	49,280	Reinforcing skills and building infrastructure for production, handling, processing, and distribution of vegetable soybean (edamame)
U. of Florida; FL	2,202,711	Disease-Resistant Seedless Muscadine Grape Cultivars Utilizing Eco-and Consumer Friendly Cisgenic Modification Technologies
USDA,ARS; CA	624,502	Developing Sustainable Vineyard Water Management Strategies for Limited and Impaired Water Supplies
Michigan State U.; MI	1,908,981	RosBREED-Enabling marker assisted breeding in Rosaceae
Regents of U. of California; CA	1,903,727	Increasing Consumption of Specialty Crops by Enhancing their Quality and Safety
Washington State U.; WA	1,005,292	Tree Fruit GDR: Translating Genomics into Advances in Horticulture
Total	46,465,138	

FY 2012 Institution; Location	Amount	Title
USDA, ARS; CA	1,761,897	New Detection, Research, and Extension Tools for managing Wood-Canker Diseases of Fruit and Nut Crops
Pennsylvania State U.; PA	1,442,481	Addressing Management Gaps with Sustainable Disease and Pest Tactics for Mushroom Production
USDA, ARS; CA	1,142,930	Development of Disease-Resistant Walnut Rootstocks: Integration of Conventional and Genomic Approaches
U. of Arkansas, Fayetteville; AR	827,745	Managing Downy Mildew of Spinach: Genomics-Based Approach to the Host and the Pathogen
USDA, ARS; GA	1,335,515	Understanding the Global Virus Distribution in Tomato and Development of Translation Genomic Tools to Accelerate Breeding for Resistance
Washington State U.; WA	34,046	Snap Pea: Enhanced production of Nutrient-Dense Vegetable Legumes
Citrus Research & Development Foundation; FL	9,000,000	Rear and Release Psyllids as Biological Control Agents - An Economical and Feasible Mid-Term Solution for Huanglongbing (HLB) Disease
Iowa State U. of Science and Technology; IA	1,582,002	Shielding Cucurbit Crops for Resilient Agroecosystems

FY 2012 Institution; Location	Amount	Title
Michigan State U.; MI	1,697,671	Developing Sustainable Pollination Strategies for U.S. Specialty Crops
Purdue U.; IN	3,027,747	Automation of Dormant Pruning of Specialty Crops
U. of Delaware; DE	1,573,112	Toward a Better Bean: Improving Genetic, Genomic, Breeding, and Crop Management Resources for Lima Bean to benefit the Mid-Atlantic Region
North Carolina State U.; NC	1,298,023	Development and Use of Genomic Tools to Improve Firs for use as Christmas Trees
Board of Regents of U. of Wisconsin; WI	2,144,836	Building Market Foundations for Sustainable Vegetable Production and Processing: Consumer and Metrics-Based Approach
Regents of U. of Minnesota; MN	2,136,489	Germplasm Improvement of Low-Input Fine Fescues in Response to Consumer Attitudes and Behaviors
USDA,ARS; CA	1,376,494	Developing Sustainable Vineyard Water Management Strategies for Limited and Impaired Water Supplies
Michigan State U.; MI	1,512,458	RosBREED-Enabling Marker-Assisted Breeding in Rosaceae
Cornell U.; NY	2,471,807	Accelerating Grape Cultivar Improvement via Phenotyping Centers and Next Generation Markers
Texas AgriLife Research; TX	2,822,422	Management of Zebra Chip to Enhance Profitability and Sustainability of U.S. Potato Production
North South Institute, Inc.; FL	465,453	Ethnic & Specialty Crops Research and Development: Local Food Networks & Heritage Marketing in Florida and Alabama
U. of Maryland; MD	3,696,865	Developing Scientifically-Based Consensus Food Safety Metrics for Leafy Greens and Tomatoes
Washington State U.; WA	1,254,645	Agronomic and Biochemical Impacts of Biotic and Abiotic Stress on Pacific Northwest Flavor Crops
Board of Regents of U. of Wisconsin System; WI	3,834,549	Improved Breeding and Variety Evaluation Methods to Reduce Acrylamide Content and Increase Quality in Processed Potato Products
Total	<u>\$46,439,187</u>	

## Specialty Crop Research Initiative

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record of the Specialty Crop Research Initiative, including the amount, recipient(s) and location of recipient(s), for fiscal years 2009 through 2012.

Response: This is a competitive program. Awards have not been determined for FY 2013. The information is provided for the record.

[The information follows:]

## Specialty Crop Research Initiative

FY 2009

Location of Recipient(s)	Recipients	Amount
AR	University of Arkansas, Fayetteville	\$1,463,234
CA	University of California	5,923,834
CO	Colorado State University	49,949
FL	University of Florida	3,885,893
GA	University of Georgia	774,581
IL	University of Illinois	1,951,981
LA	Louisiana State University	3,360,736
MD	University of Maryland, College Park	5,161,495
ME	University of Maine	1,023,805
MI	Michigan State University	1,854,372
NJ	Rutgers, The State University of New Jersey	1,503,166
NY	Cornell University	197,276
NY	Agricultural Research Service, USDA	2,381,759
OH	Agricultural Research Service, USDA	1,826,298
OH	Ohio State University	49,966
OK	Oklahoma State University	422,964
OR	Oregon State University	1,392,933
SC	Clemson University	48,947
TX	Texas A&M University	3,900,889
WA	Washington State University	8,282,415
WV	Agriculture Research Service, USDA	1,196,861
	Federal Administration	2,000,000
	Small Business Innovation Research	1,200,000
	Peer Panel	146,646
Total		\$50,000,000

Specialty Crop Research Initiative  
FY 2010

Location of Recipient(s)	Recipients	Amount
AL	Auburn University	\$604,771
AZ	Arizona State University	312,471
CA	University of California	6,658,835
CA	Agricultural Research Service, USDA-	562,035
CO	Colorado State University	2,467,589
FL	University of Florida	2,939,056
IL	University of Illinois	1,548,793
IN	Purdue University	2,441,298
MD	Agricultural Research Service, USDA	1,697,509
MI	Michigan State University	1,992,028
MN	University of Minnesota	496,663
N. Marianas	Northern Marianas College	28,629
NY	Cornell University	3,222,100
NY	Agricultural Research Service, USDA	49,316
OH	Ohio State University	2,037,717
OK	Oklahoma State University	30,000
OR	Oregon State University	5,808,980
PA	Pennsylvania State University	1,388,438
TN	University of Tennessee	50,000
TX	Texas A&M University	3,802,678
VA	Virginia Polytechnic Institue & State University	6,526,342
WA	Agriculture Research Service, USDA	1,483,438
WA	Washington State University	519,741
	Federal Administration	2,000,000
	Small Business Innovation Research	1,200,000
	Peer Panel	131,573
Total		\$50,000,000

Specialty Crop Research Initiative  
FY 2011

Location of Recipient(s)	Recipients	Amount
AL	Auburn University	\$1,542,160
CA	The Regents of the University of California	1,903,727
FL	North South Institute, Inc.	284,106
FL	University of Florida	2,202,711
GA	The University of Georgia Research Foundation, Inc.	1,219,636
IA	Iowa State University of Science and Technology	1,949,642
IL	Agricultural Research Service, Midwest Area	1,332,040
MA	University of Massachusetts Amherst	3,318,651
MI	Michigan State University	7,682,250
MN	Regents of the University of Minnesota	903,909
MD	Agricultural Research Service, USDA	8,005,185
MD	University of Maryland	1,861,387
NC	North Carolina State University	2,490,839
NJ	Rutgers; The Sstate University of New Jersey	1,866,558
NY	Cornell University	4,602,690
OH	The Ohio State University	50,000
PA	Saint Joseph's University	322,202
SC	Clemson University	50,000
VA	Virginia State University	49,280
WA	Washington State University	1,054,798
WI	The Board of Regents of the University of Wisconsin System	3,773,367
	Federal Administration	2,000,000
	Small Business Innovation Research	1,200,000
	Biotech Risk Assesment	203,440
	Peer Panel	131,422
Total		\$50,000,000

Specialty Crop Research Initiative  
FY 2012

Location of Recipient(s)	Recipients	Amount
AR	University of Arkansas, Fayetteville	\$827,745
CA	USDA- Agricultural Research Service	4,281,321
DE	University of Delaware	1,573,112
FL	Citrus Research & Development Foundation	9,000,000
FL	North South Institute, Inc.	465,453
GA	USDA-Agricultural Research Service	1,335,515
IA	Iowa State University of Science and Technology	1,582,002
IN	Purdue University	3,027,747
MI	Michigan State University	3,210,129
MN	Regents of the University of Minnesota	2,136,489
MD	University of Maryland	3,696,865
NC	North Carolina State University	1,298,023
NY	Cornell University	2,471,807
PA	The Pennsylvania State University	1,442,481
TX	Texas AgriLife Research	2,822,422
WA	Washington State University	1,288,691
WI	The Board of Regents of the University of Wisconsin System	5,979,385
	Federal Administration	2,000,000
	Small Business Innovation Research	1,248,000
	Biotech Risk Assessment	203,580
	Peer Panel	109,233
Total		\$50,000,000

Rural Development Centers

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record of funding provided to the rural development centers through NIFA's integrated program for fiscal years 2009 through 2013. Include a summary of how the funding was used.

Response: The information is submitted for the record. FY 2013 distribution has not been determined.

[The information follows:]

Regional Rural Development Centers					
FY	Northeast Region	Southern Region	North Central Region	Western Region	Total
2009	\$312,256	\$312,256	\$312,256	\$312,256	\$1,249,024
2010	\$312,256	\$312,256	\$312,256	\$312,256	\$1,249,024
2011	\$237,524	\$237,524	\$237,524	\$237,524	\$950,096
2012	\$237,444	\$237,444	\$237,445	\$237,444	\$949,777

There was \$237,444 awarded to each of the four regional rural development centers in FY 2012. The Rural Development Centers worked with land grant institutions to build capacity within their regions to conduct and support effective rural development activities. The Centers supported university-based faculty who conduct research that addresses critical and emerging rural development issues and who use their knowledge and resources in outreach to help rural communities and citizens. The Centers coordinated the integrated research, education, and extension efforts among states and linked the resources of land-grant universities with local decision-makers, rural residents, and diverse partners to address a wide range of national and regional rural development issues. Funding was used to support these activities, which included several staff positions, travel, and direct costs such as materials and supplies, publications, promotion materials, equipment use fees, consultative services, and conference sponsorship. Two centers also provided mini-grants and competitive sub-awards to land-grant institutions within their region.

In FY 2012, the four Centers leveraged more than 4 dollars of extramural funding for every 1 dollar invested by NIFA. This was an increase from the previous three years (FYs 2009, 2010, and 2011) when the Centers leveraged 3 dollars to 1. Center funds continue to support efforts in entrepreneurship, e-commerce, the changing interface between rural, suburban, and urban places, and workforce quality and jobs creation.

The North Central Regional Center documented impacts in 2011 of \$180 million and 16,090 jobs created or saved as a result of Extension Community Development Program investments in the 12-state region. Extrapolating to four Regional Centers, NIFA estimates that the collaboration enabled by the Rural Development Center awards to promote and assist community development Extension produced \$720 million in impacts and 64,360 jobs created or saved nation-wide in a single year.

#### Small Business Innovation Research

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record of all projects funded through Small Business Innovation Research program for fiscal years 2009 through 2013.

Response: Fiscal year 2013 Small Business Innovation Research (SBIR) awards have not been finalized. Below is a list of SBIR Phase I and Phase II projects funded for fiscal years 2009 through 2012. The information is provided for the record.

[The information follows:]

2009

**Phase I: 70 Projects Funded for a Total of \$5,531,266**

<u>Company Name</u>	<u>Award Amount</u>	<u>Project Title</u>
Summerdale, Inc.	\$64,250	Organic Acid Formulations for Wood Protection: Inhibition of Mold Fungi
Assured Biotechnology Corporation	\$80,000	Real-time Prediction of Formaldehyde (H <sub>2</sub> CO) Emissions during Wood-Based Panels Manufacturing
GeoVantage, Incorporated	\$80,000	Advanced Remote Sensing Methods for Cogongrass Mapping
BioPulping International, Inc.	\$80,000	A Novel Sulfite Pretreatment Process (SPORL) for Efficient Biochemical Conversion Woody Biomass to Bioethanol
Abraxis LLC	\$80,000	Development of a Fast Screen (On-site) Analytical Assay for Pyridine Herbicides in Animal Waste and Compost
Giner, Inc.	\$79,956	Electrochemical Ammonia Monitor for Agricultural Operations
TDA Research, Inc.	\$80,000	Desulfurization of Biogas Derived from Animal Manure
Photonic Biosystems, Inc. dba Pacific Technologies	\$79,823	Ammonia Sensor for CAFO Monitoring.
Biological and Environmental Systems and Technologies (BEST)	\$80,000	Ammonia Removal and Recovery System Integrated with Anaerobic Digestion for Mitigating Air and Water Quality Impacts of Animal Operations
Green Heron Tools, LLC	\$80,000	Need for and feasibility of designing, producing and marketing agricultural tools & equipment for women
Wind Innovations LLC	\$80,000	Cost-Effective Wind Turbine for Electricity Self Sufficiency on Small and Mid-Size Farms
Eldertide LLC	\$80,000	Developing Elderberries as a Specialty Crop for Herbal Supplements, Nutraceuticals and Functional Foods

This Old Farm	\$78,705	Value-Added Multi-Purpose Processing Establishment using Renewable Energy Sources as a Centerpiece to a Sustainable Educational Farm
OCR, Inc.	\$79,998	Agaricus mushroom production utilizing local substrate materials
Mountain Meadow Wool Company, Inc.	\$80,000	On-site Effluent Treatment of Wastewater from Wool Processing Facilities
Technical Designs Inc.	\$77,986	A Biodegradable Thin-Film Mulching System for Weed Suppression in Commercial Crop Production
Physical Sciences Inc.	\$79,998	Solar Optical Waveguide System for Value Added Transplant Production
Phenotype Screening Corporation	\$80,000	Next Generation Root-Pest Resistance Research and Screening Tool
SynTouch LLC	\$65,691	Robotic Fruit Harvester Sensors
GrassRoots Biotechnology, Inc.	\$80,000	Improving Root Architecture in Energy Crops
Eltron Research & Development Inc.	\$80,000	Catalytic Ethylene Removal
Cycloptics Technologies, LLC	\$80,000	Highly Efficient Luminaires for Supplemental Greenhouse Lighting
Datastar, Inc.	\$79,539	Remote Sensing for Early Detection and Mitigation Of Plant Stress and Disease in Florida Citrus
AgPollen LLC	\$78,600	Development of Nest Attractant for the Blue Orchard Bee
Summerdale, Inc.	\$63,788	Synergistic, Natural Compounds as Insecticides
Infinite Eversole-Specialty Crop Services	\$80,000	A Prototype Program for Attaining Specialty Crop Non-Regulated Status
InsectiGen, Inc.	\$80,000	Development of BtBooster Synergist for Beetle-Active Bt
AC Diagnostics, Inc.	\$79,930	A Sensitive Immunocapture Real-Time One-Step RT-PCR for Early Detection of Plant Pathogens in Crops
Alpha Scents, Inc.	\$80,000	Attract and Kill Technology to Control Citrus Leafminer in Citrus Nurseries and Orchards
Agion Technologies Incorporated	\$79,462	Synergistic Agents to Reduce Fungicide Resistance and Health Risks

Eckstein Diagnostics, Inc.	\$80,000	Lipid-based ELISA test for detection of dairy cattle with John's disease
Integrated Nano-Technologies	\$79,998	Rapid, In-Field Method for Genomic-Based Identification
Z4 Energy Systems, LLC	\$80,000	Solar Heater to Prevent Stock Tank Freezing
Strategic Solutions International, LLC	\$79,956	Improved Animal Traceability
Eco-Sol, LLC	\$80,000	Improved Feed Products From Pima Cottonseed: By-products of Biofuels Feedstock Production
Wilks Enterprise, Inc.	\$80,000	Portable Mid Infrared Analyzer for Onsite Measurement of Nitrate and Organic Matter in Soil
Technova Corporation	\$79,929	Development of an Inexpensive, Rapid and Highly Sensitive Perchlorate Nanobiosensor
Hydrolinear Irrigators Incorporated	\$75,810	Efficient Mobile Power Supply & Energy Reclamation for Linear-move and Center-pivot Irrigation Systems
Vortant Technologies, LLC	\$79,933	Self Contained Sensor and Telemetry for Remote Water Quality Monitoring
Applied Geosolutions, LLC	\$80,000	Developing operational capability of AWiFS for tillage monitoring
Blue Moon Bulbs, LLP DBA Westscape Nursery	\$79,938	Use of the halophyte <i>Sarcocornia utahensis</i> as a phytoremediation strategy for the amelioration of saline-sodic impacted soils
Separation Systems Technology, Inc.	\$80,000	Liquid concentration by direct osmosis
TessArae, LLC	\$79,679	Multiple Foodborne Pathogen Resequencing Microarray-based Diagnostic Assay
Edenspace Systems Corporation	\$80,000	Production of a Value-Added Crop for Greater Human Nutrition
Industry Vision Automation Corporation	\$79,984	Hyperspectral Fluorescence Imaging Detection System for Black Walnut Shell Fragments Recognition and Removal
Compact Membrane Systems, Inc.	\$80,000	Solvent recovery from vegetable oil miscella by Novelsolvent-resistant nanofiltration membranes
Twilight Training LLC dba ViaSim	\$79,760	Research and Development of a Simulation-Based Strategic Planning Tool for Water and Wastewater Resource Management
Webfish Pacific	\$79,997	Childhood Oral Health Initiative for Rural Families

Clean Plus, Inc.	\$79,812	Corn Stover Sorbent Granules
Sonsight Inc.	\$80,000	Scalable Low-Windspeed Generator
Crile Carvey Consulting, Inc.	\$79,690	Rural wireless network tower site location and optimization using web-based constrained optimization techniques
Custom Data, Inc.	\$79,849	Delivering Medication Therapy Management Services through Telepharmacy to Serve Remote Rural Communities.
Sertech Heating and Air Conditioning, Inc	\$77,173	Solar Thermal Energy Storage Vessel
Sea & Reef Aquaculture, LLC	\$79,997	Development of culture methods for marine ornamental fish larvae
Virginia Cobia Farms, LLC	\$79,933	Cobia Production Using Novel Low Salinity RAS Technology
Muti-Duti Manufacturing Inc (MDM)	\$77,603	High-Efficiency Axial Flow Pump Development for Use in Recirculating Aquaculture Systems
Hybrid Catfish Company	\$80,000	Channel Catfish Pituitary for use as a Spawning Aid in Aquaculture
NanoDynamics Life Sciences, Inc.	\$79,969	Slow Release Non-Toxic Antifouling Additives for Coatings Used in Aquaculture
Baxter Land Company, Inc.	\$75,000	Commercial-Scale Implementation of Blue-Catfish Germplasm for Hybrid Production
Ecovative Design LLC	\$80,000	New indust. crop yielding a biomaterial that will reduce dependence on foreign oil and increase the econ. sustainability of farms in America
Applied Colloids	\$79,745	Renewable Biofuel Based on Jojoba Oil
Evolutionary Genomics, Inc.	\$79,998	Genes that impact sorghum grain, sugar, and biomass yield.
Mayaterials, Inc	\$80,000	Conversion of Agricultural Waste into High Quality Insulation for Energy Conservation
Allopartis Biotechnologies	\$80,000	Improving enzymes for saccharification of sustainable cellulosic biomass for biofuel production
Ecoversion LLC	\$80,000	Sorghum Protein Adhesives from Low Cost DDGS
Algaen Corporation	\$79,888	Developing Innovative Photobioreactor and Extraction Technology For Production of Biodiesel Feedstock Using Microalgae

Suganit Systems Inc	\$79,982	Development of co-immobilized enzyme pellets to replace GMOs for cellulosic ethanol
Compact Membrane Systems, Inc.	\$80,000	Venting of Underground Storage Tanks Containing Ethanol-Gasoline Blends
Cronus, LLC	\$79,917	Formulation of Biodegradable Nursery Pots from Poultry Feather Keratin
Seaberry Farm, LLC	\$80,000	Sustainable Production Practices in Woody Cut Flower Markets

2009

**Phase II: 32 Projects Funded for a Total of \$10,911,913**

<u>Company Name</u>	<u>Award Amount</u>	<u>Project Title</u>
Forest Concepts, LLC	\$350,000	Beneficiation of Chipped and Shredded Woody Biomass
Rynel, Inc	\$350,000	Development and Commercialization of a Biodegradable Stabilized Growing Media
Applied Biomathematics	\$349,984	Forest pest risk analysis in dynamic landscapes
GreenWood Resources, Inc.	\$348,170	Developing a Molecular-Assisted Hybridization Strategy for the Improvement of the Quality of Poplar Biomass for The United States' Bio-Fuels
SSS Optical Technologies, LLC	\$349,793	Sensor of ammonia emission from animal manure
Rainbow Organic Farms Co.	\$302,470	A CSA Model to bring Locally Grown Foods to the Corporate Workplace, Inner City Households and Schools Utilizing a Supermarket Infrastructure
ISCA Technologies, Inc.	\$350,000	Novel environmentally friendly control of the citrus leafminer, the proliferator of citrus canker, with sex pheromone.
Bee Alert Technology, Inc	\$350,000	Sonographic Analysis for Rapid Detection of Varroa Mites and Other Pathologies without opening the Beehive
Trellis Growing Systems LLC	\$349,593	Modular Trellis System for Brambles
Advanced Biological Marketing	\$349,621	Improved Agricultural Sustainability through Microbially Enhanced Nitrogen Fertilizer Use Efficiency and Yield
Divergence, Inc.	\$350,000	Control of Root Knot Nematode by Transgenic RNA Interference
RT Solutions, LLC	\$350,000	Commercial Plant Production and Protection Products from Vermicomposted Dairy Manure

ISCA Technologies, Inc.	\$350,000	SPLAT PBW: Long Lasting Sprayable Pheromone Formulation to Eradicate Pectinophora Gossypiella
Long Branch Company, Inc.	\$132,448	Automated Vaccination of Broiler Chicken Flocks
Harrisvaccines, Inc.	\$346,765	Demonstrate the Safety and Efficacy of Vaccine Candidate
3C Cattle Feeders Inc.	\$349,422	Improving the efficiency of feed use in the cattle industry
Agri Processing Services LLC	\$348,834	Diversion From Land Disposal Of Nutrients Recovered From Non-MPP Processing Plant Wastewater To Value-Added Use In Multi-Spec. Feed Rations
JDC, Inc.	\$350,000	Improved Hard Process; Breakthrough Kiln Process for Manufacturing Phosphoric Acid
CommGraphics Interactive, Inc.	\$349,321	Children's Nutrition and Exercise, Healthy Lifestyles Video Game
MEI Research, Ltd	\$345,276	Free-living Energy Balance Assessment and Management in Close to Real Time
Guild Associates, Inc.	\$349,052	Phage mediated detection of Bacillus anthracis on deliberately contaminated fresh foods
Sensor Development Corp	\$349,915	A New Nano Based Real-Time Aflatoxin Detector Phase II
Bioo Scientific	\$349,695	Rapid enzyme based detection of toxins in food.
Sonsight Inc.	\$349,981	Low Windspeed Wind Turbine
Scientific Fishery Systems, Inc.	\$349,959	Phase II: Rural Coastal Alaska Fish Waste Conversion
Aquatic Innovations, LLC	\$342,620	Sustainable Production of Pinfish for the Gulf of Mexico Live Bait Market
Information & Simulation Systems	\$349,563	A Management Tool and Strategy for Agriculture Development in Offshore United States Coastal Waters
Exelus, Inc.	\$350,000	Exelus Biomass-to-Gasoline Process
Metabolix, Inc	\$349,450	Blow Molded Bioproducts From Renewable Plastics
SarTec Corporation	\$350,000	Ultrafast continuous biodiesel production from multiple feedstocks using fixed bed reactors and metal oxide catalysts (The Megyan? process)
Kuehnle AgroSystems, Inc.	\$349,981	Microalgae As Renewable Biofactories: The Production of Biofuels and High Value Bioproducts

Summit Seed, Inc.	\$350,000	Utilize corn derived products driven from ethanol production for horticultural weed control, a natural fertilizer with enhanced plant growth
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2010

**Phase I: 92 Projects Funded for a Total of \$8,006,218**

<u>Company Name</u>	<u>Award Amount</u>	<u>Project Title</u>
HM3 Energy, Inc.	\$89,799	Forest waste contaminant removal for conversion into clean fuel for coal-fired power plants
GreenWood Resources, Inc.	\$83,441	Alder Genetic Improvement for the Pacific Northwest Forest Products Industry
Azavea Inc	\$90,000	OpenTreeMap: Tools for Collaborative Urban Forestry
TDA Research, Inc.	\$90,000	Low-cost Removal of Dissolved Solids and Fermentation Inhibitors for Cellulosic Ethanol
Edenspace Systems Corporation	\$90,000	Modifying Lignin Structure in Poplar for Enhanced Biomass Conversion
Sound Watershed Consulting	\$89,912	Explicit Riparian Design
Applied Biotechnology Institute	\$89,939	Synergy of Plant-Produced Enzymes to Convert Forest Products into Biofuels
Organix, Inc.	\$82,000	Anaerobically Digested Manure Fiber for Environmental Cleanup and Remediation
Biogas & Electric LLC	\$87,820	Novel approach to NOx reduction in biogas exhaust from anaerobic digestion facilities at dairy farms.
Environmental Energy & Engineering Co.	\$90,000	Ammonia Recovery and Biometbane Production from Concentrated Manure
Algaen Corporation	\$79,966	Bioremediation of Animal Wastewater Using Oil-Rich Microalgae
ECO Composites LLC	\$79,205	Manufacture of Compostable Plant Containers Utilizing Anaerobic Digester Fibers in Standard Molding Processes
Multiform Harvest Inc.	\$89,378	Upgrading Struvite Recovered from Dairy Waste into Marketable Fertilizer and Feed Products
Sea Star International, LLC	\$90,000	An Ozark Regional Pilot Program to Manufacture Economical, Value-Added Products Qualifying for USDA Certified Organic Status.
Pacific Biodiesel, Inc.	\$90,000	Aina Mo Soil Amendment Project

Ronald P. Weidenbach dba Hawaii Fish Company	\$90,000	Renewable Energy Aquaculture Aeration For Small and Mid-Sized Farms
ISCA Technologies, Inc.	\$90,000	A guava-volatile-based repellent formulation to manage the Asian citrus psyllid, the key vector of Citrus Greening
Quantalux, LLC	\$89,999	Thermal Storage for Small Farms
Alpha Scents, Inc.	\$89,687	Optimizing an inexpensive trap and lure for monitoring and management of green june beetle
Top 10 Produce LLC	\$90,000	GS-1 barcoding and traceability services for small family farms and organization of regional grower- owned cooperatives.
Pharaoh Industries	\$90,000	Developing Innovative Marketing Strategies and Distribution Networks for Hope Goods
Native Seedsters, Inc.	\$90,000	Feasibility Test of Seedster Technology to Improve Quantity and Quality of Carrot and Yarrow Seed
Sensor Electronic Technology	\$89,958	Semiconductor Ultraviolet Irradiation Devices for Greenhouse Crops
Orbital Technologies Corporation	\$90,000	LEDs for managing pest insects in greenhouses
Wildwood Gin, Inc	\$90,000	Evaluation of UltraClean Cotton for Nonwovens Application
Rivertop Renewables, Inc.	\$90,000	New Controlled Release Fertilizer Systems Derived from Biomass
Jersey Flora, Inc	\$90,000	Energy efficient systems for high frequency propagation of virus-free Lilium cvs
Capstan Ag Systems, Inc.	\$90,000	Development of an integrated actuator for real time control of spray nozzle flow rate and droplet size spectrum
ISCA Technologies, Inc.	\$90,000	Accurate Huanglongbing (HLB) Diagnosis
Western Laboratories Inc.	\$73,598	Enhanced-throughput Quantification of Rhizoctonia and Pythium DNA in soil samples
Agricultural Research Initiatives, Inc.	\$90,000	Development of a Mycoherbicide for Control of Dandelion
Insectigen, Inc.	\$90,000	Development of a BtBooster Synergist for Bt Transgenic Plants
ISCA Technologies, Inc.	\$90,000	SPLAT BASE: A Revolutionary Attract And Kill Technology To Effectively Manage Orchard Pests

Alpha Scents, Inc.	\$84,044	Simplified synthetic pathway of citrus leafminer pheromone
Bee Power, L.P.	\$90,000	Selection and Genomic Characterization of Honey Bees Resistant to Viral Pathogens
BioStrategies-LC	\$90,000	Plant Produced Porcine IL-12 Vaccine Adjuvant for Swine Flu and Other Viral Diseases
Rxo Biosciences LLC	\$90,000	Rapid, Simple and Inexpensive Detection of Potyvirus in Seed Potatoes
Coherix, Inc.	\$89,970	Advanced Automated In-Line Inspection of Brown, Freckled and Mixed-Type Eggs to Detect Contamination and Defects
Sims Brothers, Inc.	\$90,000	Pelleted sericea lespedeza diet for control of Internal parasites and pathogens in goats and sheep
TessArae, LLC	\$89,652	Resequencing Microarray-based Diagnostic Assay for High Priority Swine Infectious Diseases
Brookings Biomedical	\$90,000	Multivalent Mucosal Vaccine to Include Swine Influenza
Megastarter, LLC	\$90,000	Improving the stability and concentration of Megasphaera elsdenii NCIMB 41125
Applied Science Products, Inc.	\$89,890	Sustainable Nitric Acid Production Using Non-thermal Plasma
Eltron Research & Development Inc.	\$90,000	Retrofit Emissions Control Technology for Agricultural Diesel Sources
The Nitrate Elimination Company, Inc	\$89,093	Enzyme-based Test Kits for Phosphate
Giner, Inc.	\$89,920	Advanced Field-Deployable Monitor of Multiple Pesticides in Water
D.R.T.S. ENTERPRISES LTD.	\$75,431	Injected Pressure Compensating Dripper
Wastewater Compliance Systems, Inc.	\$90,000	Rural Wastewater Treatment Lagoon Enhancement with Dome Shaped Submerged Bio-film Devices
Veris Technologies, Inc.	\$89,688	In-Field Soil Phosphorus Measurement System
Innovative Educational Resources, LLC	\$88,841	A Multifaceted Community Approach Preventing Child Obesity Through Standards-Based Classroom Instruction Using an Interactive Inform Tech
ChemFree DeFoam, LLC	\$80,000	Non-chemical In-situ Foam Control for Food Processing

Jersey Flora, Inc	\$90,000	Lily Bulbs A Functional Food for the Prevention of Type 2 Diabetes
Futuresoft Inc., dba Positive Records	\$88,529	Hip Hop Food Pyramid - Obesity Prevention, Nutrition Education and Physical Activity Promotion Using Soul Music
Orbital Technologies Corporation	\$90,000	Non-Thermal Sanitation by Atmospheric Pressure Plasma (SAPP)
Prove It, LLC	\$90,000	High Thermal Regeneration Magnetic Induction Food Processing
Humanitas, Inc.	\$90,000	Creating an Interactive Technology That Emulates the Motivational Interviewing Process to Train Nutrition Educators and Health Professionals
Rubicon Foods LLC	\$90,000	Development of Shelf-Stable Puree Protein for Dysphagia Patients
Antel BioSystems, Inc.	\$79,350	Diagnostic Assay for Mycobacterium bovis in Bulk Tank Milk
Bioo Scientific	\$80,000	Sequential injection enzymatic assay for melamine detection in food.
Applied Food Technologies, LLC	\$79,310	Traceability of Shrimp Utilizing Trace Elemental Analysis
Wind Lift Technologies	\$89,408	Innovative Small Vertical Axis Wind Turbine Uses Lift to Generate Power Providing A Lighter Weight, Less Costly, Rural Wind Power Solution
Lynntech, Inc.	\$89,999	Novel Aqueous system for Electrochemical Generation of Ammonia
Hudson Simulation Services, LLC	\$86,072	Research and Development to improve Rural Emergency Medical Services Training using Mobile Simulation
Twilight Training LLC dba ViaSim	\$89,751	Research and Development of a Simulation-Based Integrated Infrastructure Analysis Tool
Babble Tree LLC	\$85,760	The Babble Tree English Language Learning Tool-Kit: Early Vocabulary Intervention For Latino Non-English Speaking Students
Secure Banking Solutions, LLC	\$89,600	Integrated Information Security Management System for Rural Small & Medium Sized Entities (rSME-IISMS)
Crile Carvey Consulting, Inc.	\$89,985	Integrated Analytical, Visualization, And Decision Support Software for Placement of Wind Turbines by Rural Residents And Small Businesses

Airstreams Renewables, Inc.	\$89,483	Online, Internet-Based Training For Wind Technicians Work On Wind Farms
XW, LLC	\$90,000	Rural Broadband Access Enabled by Adaptive Filter Bank Modulation
Learnimation, LLC	\$89,999	Math & Science Education for Students with Learning Difficulties: Distance Learning Word Problem Intervention Materials
Harrisvaccines, Inc.	\$79,700	Replicon Particle Vaccine for White Spot Syndrome Virus in Marine Shrimp
Pemaquid Oyster Company, Inc.	\$89,952	NE shellfish farming candidate: Factors regulating survival & growth of <i>Arctia surfclam</i> & <i>Mactromeris polynyma</i> in experimental field studies
Virgina Cobia Farms	\$90,000	Development Of Novel Calcium Receptor Based Mineral Supplementation Technologies For Inland Shrimp Aquaculture
Infoscitex Corporation	\$89,620	Development of a High Sensitivity and Specificity Quantitative Aptamer Assay for Coldwater Disease Management Applications
ProFishent, Inc.	\$89,581	Micro-encapsulation and Nanotechnology Treatments to Prevent Proteolytic Diseases of Aquatic Animals
Taylor Shellfish Company, Inc.	\$90,000	Increasing Efficiency of a Crossbreeding Program for the Pacific Oyster
Aqua Green L.L.C.	\$89,180	Marine Aquaculture Water Reuse and Effluent Treatment Systems: An Integrated Sustainable Approach for Commercial Producers
Compact Membrane Systems, Inc.	\$90,000	Enhancing Biosynthesis of Biofuels from Cellulosic Biomass
Quasar Energy Group, LLC	\$89,854	Development of an Integrated Anaerobic Digestion System for Methane Production from Lignocellulosic Biomass
Lynntech, Inc.	\$90,000	Improved Heterogeneous Catalyst for the Transesterification of Fats and Oils to Biodiesel
World Centric	\$88,628	New Biodegradable Packaging from a Synergistic Combination of Agricultural By-products
Arzeda Corp.	\$90,000	Production of Methyl-Ethyl-Ketone (MEK) from Renewable Feedstock
United Environment & Energy LLC	\$90,000	A Novel Catalytic Reactor for Biodiesel Production
E2E Materials, Inc.	\$89,719	Affordable, Petroleum-Free Green Resins for Manufacture of Composite Building Materials

Renewable Spirits LLC	\$90,000	Coproduction of Peptic Fragments and Biofuels from Citrus Processing Waste
Lynntech, Inc.	\$90,000	Biomass-based Commodity Polymers from 5-Hydroxymethylfurfural
Arvens Technology, Inc.	\$90,000	Pennycress: "A wonder weed to wonder fuel: Developing Commercial Farming Practices for Pennycress"
Advanced MicroLabs, LLC	\$90,000	Cost-Effective Biomass Conversion via an Online Carbohydrate Monitoring Device
Irv & Shelly's Fresh Picks	\$81,067	Most efficient ways to aggregate, store, pack and ship local food from farms to regional centers: Illinois Pilot Project
The Tea Spot, Inc.	\$60,440	Moving Toward a Sustainable To-Go Container for Hot Beverages in MASS-Market Food Service
Ronald P. Weidenbach dba Hawaii Fish Company	\$90,000	Innovative Marketing of Hawaiian Pongee

## 2010

## Phase II: 38 Projects Funded for a Total of \$14,814,519

<u>Company Name</u>	<u>Award Amount</u>	<u>Project Title</u>
BioPulping International, Inc.	\$400,000	A Novel Sulfite Pretreatment Process (SPORL) for Efficient Biochemical Conversion of Woody Biomass to Bioethanol
Summerdale, Inc.	\$338,549	Organic Acid Formulations for Wood Protection: Inhibition of Mold and Decay Fungi
Giner, Inc.	\$399,498	Electrochemical Ammonia Monitor for Agricultural Operations
Hansen Energy and Environmental	\$400,000	Anaerobic Production of biohydrogen from food and Agricultural waste
Mainstream Engineering Corporation	\$399,733	A Biogas-Tolerant Engine-Generator for Advanced Agricultural Waste Management Systems
TDA Research, Inc.	\$400,000	Desulfurization of Biogas Derived from Animal Manure
This Old Farm, Inc	\$398,341	Value-Added Multi-Purpose Processing Establishment using Renewable Energy for Local Foods Distribution Network

Eldertide LLC	\$399,974	Developing Elderberries As A Specialty Crop By Supporting A Growers' Network And By Conducting Prototype Development Of Nutraceu
Green Heron Tools, LLC	\$392,225	Research and Development of Alternatives to the Walk-behind Rotary Tiller Suitable for Women Farmers
OCR, Inc.	\$399,974	Agaricus mushroom production utilizing local substrate materials
GrassRoots Biotechnology, Inc.	\$400,000	Improving Root Architecture in Bioenergy Crops
Vista Photonics, Inc.	\$400,000	Optical Ethylene Analyzer for Food Crop Quality Assurance
Cycloptics Technologies, LLC	\$400,000	Next Generation Energy Efficient Supplemental Lighting for Plant Production
Eltron Research & Development Inc.	\$399,998	Regenerable Ethylene Removal
Energid Technologies Corporation	\$400,000	Robotic Mass Removal of Citrus Fruits
AC Diagnostics, Inc.	\$399,957	A Sensitive Single-tube Immunocapture Real-Time RT-PCR for Early Detection of Plant Pathogens in Crops
Divergence, Inc.	\$400,000	Novel Agrochemical Leads Derived from Molecular Fields
AgPollen LLC	\$372,240	Development of a Nest Attractant for the Blue Orchard Bee
Alpha Scents, Inc.	\$400,000	Attract and Kill Technology to Control Citrus Leafminer in Citrus Nurseries and Orchards
Gardens at Post Hill LLC	\$181,646	Cypripedium Meristem Mass Propagation
Eckstein Diagnostics, Inc.	\$400,000	Lipid-based ELISA test for detection of dairy cattle with Johne's disease
Biotronics, Inc.	\$400,000	Hybrid System for Ultrasound Signal, Spectral, and Image Analyses to Enhance Meat Quality Evaluation in Food Animals
Blue Moon Bulbs, LLP DBA Westscape Nursery	\$391,369	The Use of Ion-Accumulating Halophytes for the Phytoremediation of Saline and Selenium Impacted Soil and Water in Cold-Arid Climates
Z4 Energy Systems, LLC	\$400,000	Wind Powered Water Pumping Incorporating Compressed Air Energy Storage
Veris Technologies, Inc.	\$356,550	Automated, In-Field Measurement System For Soil Nitrate And Other Properties

Schillinger Genetic, Inc.	\$400,000	Ambient Processing and Nutritional Assessment of Reduced-Trypsin-Inhibitor & Low Oligosaccharide Soybean Products
Mainstay, Inc.	\$400,000	Technology-based Interventions to Improve the Nutrition and Health of Intellectually and Developmentally Disabled Persons
Clean Plus, Inc.	\$398,739	Corn Stover Sorbent Granules
Webfish Pacific	\$400,000	Early Childhood Oral Health Initiative for Rural Families
Baxter Land Company, Inc.	\$390,904	Commercial-Scale Implementation of Blue-Catfish Germplasm for Hybrid Production
Virginia Cobia Farms, LLC	\$400,000	Optimizing Inland Tank Based Recirculation Aquaculture Methods To Produce Cobia Under Reduced Water Salinity Conditions
Bagaduce River Oyster Company	\$400,000	Hard clam farming in eastern Maine: field experiments to evaluate biological & economic efficacy of field-based nursery and grow-out phases
Mayaterials, Inc	\$398,972	Conversion of Agricultural Waste into High Quality Insulation for Energy Conversion
Compact Membrane Systems, Inc.	\$400,000	Low Cost Fuel Grade Ethanol
Kuehnle AgroSystems, Inc.	\$400,000	Preservation of Bioprocess Algae for Certified Seedstock
Native Seedsters, Inc.	\$400,000	Seedster Technology for More Seed Recovery, Less Impurities and Faster Ground Speed Harvesting Camelina for Biodiesel Feedstock
United Environment & Energy LLC	\$400,000	One-step Biodiesel Production from Yellow Grease
Cronus, LLC	\$395,850	Formulation of Biodegradable Nursery Pots from Poultry Feather Keratin Cronus, LLC

## 2011

Phase I: 56 Projects Funded for a Total of \$5,527,026

<u>Company Name</u>	<u>Award Amount</u>	<u>Project Title</u>
MetroCrops, LLC	\$ 95,914	Use of Hydroponic and LED Technology to Grow High Nutrient Lettuce, Spinach and Arugula in a Small, Urban, High Density, Indoor Farm
AZYP, LLC	\$99,925	Removal of Isomeric Ballast in Agrochemicals Using an Inulin Based Agro-Product
4Cs Breeding Technologies Inc.	\$97,655	New Technology for Breeding Superior Tetraploid and Triploid Eastern Oysters

ISCA Technologies, Inc.	\$100,000	Zebra Chip Diagnosis
Sciessent, LLC	\$ 99,416	Silver Ion Formulations for the Control of Bacterial Plant Pathogens and to Reduce Bactericide Resistance and Health Risks
Bioprotection Systems Corporation	\$100,000	Development of a safe and efficacious vaccine for Rift Valley fever virus
BioTracking LLC	\$99,712	A Combinatorial Approach For Microbial Sensing Using Multi-Layered Nanoparticles Based On Surface Enhanced Raman Spectroscopy (SERS)
Azavea Inc.	\$100,000	Urban Forestry Modeling and Prioritization Tools
Fiberstar Bio-Ingredient Technologies	\$98,016	Evaluation of Various Low Cost Natural Plant Materials as Raw Materials for Patented Processing Techniques
Phycal, Inc.	\$100,000	Novel Method For Improving Algae Harvesting
Trellis Growing Systems LLC	\$99,926	Modular Shading Structure for High Value Fruits and Vegetables
Infinite Energy, LLC dba Infinite Enzymes	\$100,000	Formulating New Cellulases for Diverse Markets: Defining QA Parameters
Diligent Consulting, Inc.	\$99,911	Immersive Environments for Nutrition Education
Intralytix, Inc.	\$99,984	Development Of Phage Preparation For Managing Salmonella In Foods
eGen LLC	\$98,750	eGen Low Flow Hydrokinetic Renewable Energy Harvester
Eden's Bowl, Inc.	\$98,833	An Integrated Market System Model for Small & Medium-Sized Farms
AXAT Inc.	\$99,942	The Feasibility Of Developing A Low Cost, Remote Sensing Technology To Provide Information Critical To Finfish Hatchery Operations
PolyNew, Inc	\$100,000	Biobased and Biodegradable Impact Modifier for Completely Renewable Bioplastic
Mitebee Farm Incorporated	\$100,000	Production Of Native Bumble Bees For Pollination Of West Coast Crops
Nutrasorb LLC	\$99,882	Targeting Childhood Obesity: Natural, Low Sugar Snacks With Concentrated Fruit Polyphenols

Simplex Manufacturing Co.	\$89,927	Investigation of Fire Fighting Gel Injection For Use With Helicopter Water Tank System to Combat Forest Fires
ISCA Technologies, Inc.	\$100,000	SPLAT ACPAD A&K for the Management Of The Asian Citrus Psyllid, The Key Vector Of Citrus Greening.
Marrone Bio Innovations, Inc.	\$99,800	Development Of Bioherbicides For Rice Weed Control
Brookings Biomedical	\$100,000	Development Of A Simple Killed Enterotoxigenic E. Coli Vaccine For Weaned Pigs
Searchlight Sensors	\$100,000	Low Cost Optical Ammonia Monitor
KidsCOOK Productions, LLC	\$100,000	The project "KickinKitchen.TV" - An Interactive Digital Learning Technology Program.
Invention House LLC	\$95,513	Novel Solar Concentrator Trough with Front-side Support Structure
Sensor Development Corporation	\$99,809	Monitor and Control the Formosan Subterranean Termite in Forest Resources Using an Application of a New Science and Technology Phase I
Scenic Valley Farm, LLC	\$98,815	Environmental Management Systems using Renewable Energy
EngenNano Technology Inc.	\$99,457	Development Of An Efficient Solid State Grow-Light For Greenhouse/Urban Agriculture Based On A Novel Growth Process And Device Architecture
Sensor Development Corporation	\$99,755	Detect the Lesser Grain Borer in Stored Grain Using an Application of a New Science and Technology Phase I
Amelgo, LLC	\$100,000	Development Of Effective Non-Antibiotic Dry-Off Agents For The Dairy Industry
Aquaculture Systems Technologies, LLC	\$76,978	Use of Direct Filtration on the Influent to Floating Bead Filters and Treatment of Waste Discharge with Coagulation Aids for Suspended Solid
Pacific Planktonics	\$100,000	Larval Nutrition Strategies For Improved Tuna Hatchery Production
Renewable Alternatives, LLC	\$100,000	Enhanced Thermal Activity of Vegetable Oil Based Thermal Energy Storage Materials

3F, LLC	\$100,000	Modification of Natural Fibers for use as Reinforcement in Advanced Composite Materials
Medigen, Inc.	\$99,892	Polyvalent Vaccine to Protect Poultry from Avian Influenza
CFD Research Corporation	\$99,991	Novel Dewatering Method for Cost Effective Harvesting of Microalgae Biomass
ISCA Technologies, Inc.	\$100,000	Effective Semiochemical Management of the Oriental Beetle for the Small Blueberry Grower
Geo Spider, Inc	\$98,809	Over the Top Citrus Harvesting Equipment for Process Market Fruit in High Density Citrus Groves
BIOWORKS INC.	\$99,510	A Novel Biological Control For Fungal Plant Pathogens
Intelligent Optical Systems, Inc.	\$100,000	Distributed Optical Fiber Sensor Cable for Air Quality (Air-Sense)
Acclima, Inc.	\$99,395	Soil profile water content sensing system based on TDR
Agricultural Information Management, Inc.	\$96,700	Development Of An Automated, Mobile Pasteurizer For Food Products In Global Communities.
Altaeros Energies, Inc.	\$99,964	Robust Airborne Wind Turbine Shroud for Production of Low Cost Renewable Energy
Robert Miller Consulting LLC	\$99,990	Enriching Rural American Farmers And Their Communities By Enabling Broadcasters To Power Transmitters With Wind Energy
Exelus, Inc.	\$100,000	New Drop-in Biofuel to Meet Renewable Fuel Standards
Wilson's Cedar Point Farms, LLC	\$99,961	Production and Marketing of a Novelty Specialty Pepper, <i>Capsicum baccatum</i>
OrganiPharm, LLC	\$99,840	Marketing a New Paradigm in Goldenseal Product Standardization
Agdia, Inc.	\$100,000	Sequence Specific, Nucleic Acid Separation Media for Plant Pathogen Diagnostics
Vista Photonics, Inc.	\$100,000	Isotope Ratiometer for Groundwater Analysis

Solar-Stream, LLC	\$89,500	The Flex Pump - An Innovation in Solar Water Pumping
Step Analysis LLC	\$100,000	Developing A High Sensitivity High Specificity Lameness Detection System For Dairy Cattle
Whole Trees LLC	\$99,689	Structural Testing of Round Branched Timbers
Innovosoy, Inc.	\$99,790	Global Feed in 3-D: An Information Technology Product for Strategic Decision Making and Market Analysis
Applied Food Technologies, Inc.	\$96,075	Definitive Molecular Markers for Speciation of Tuna: Genus Thunnus

**2011****Phase II : 40 Projects Funded for a Total of \$17,108,174**

<u>Company Name</u>	<u>Award Amount</u>	<u>Project Title</u>
Azavea Inc.	\$460,000	OpenTreeMap: Tools for Collaborative Urban Forestry
HM3 Energy, Inc.	\$460,000	Practical Torrefaction of Forest Waste for Conversion into Clean Fuel for Coal-fired Power Plants
GreenWood Resources, Inc.	\$460,000	Alder Genetic Improvement for the Pacific Northwest Forest Products Industry
Biogas & Electric, LLC	\$460,000	Novel Approach To Nox Reduction In Biogas Engine Exhaust From Anaerobic Digestion Facilities At Dairy Farms.
Pacific Biodiesel, Inc.	\$460,000	Aina Mo Soil Amendment Project: Organic Compound From Biodiesel Glycerin Co-Product To Control Apple Snail (P. Canaliculata) On Wetland Taro
Mountain Meadow Wool Co. Inc.	\$460,000	Establishing On-site Effluent Treatment of Wastewater from Small-Scale Wool Processing Facilities
Quantalux, LLC	\$460,000	A Biogas Heat Engine for Small to Mid-Sized Farms
Science and Sensors Technologies	\$460,000	Optical Fiber Sensor for Plant Nutrients
Capstan Ag Systems, Inc.	\$460,000	Development Of An Integrated Actuator For Real Time Control Of Spray Nozzle Flow Rate And Droplet Size Spectrum
ISCA Technologies, Inc.	\$460,000	Accurate Huanglongbing (HLB) Diagnosis
Orbital Technologies Corporation	\$460,000	LEDs for Managing Pest Insects in Greenhouses Phase II
BioStrategies-LC	\$460,000	Plant Produced Porcine IL-12 Vaccine Adjuvant for Swine Flu and Other Viral Diseases
ISCA Technologies, Inc.	\$460,000	SPLAT BASE: A Revolutionary Attract And Kill Technology To Effectively Manage Orchard Pests.
NovaFlora Inc	\$460,000	Development Of Marker Free Crown Gall Resistant Roses.

Sims Brothers, Inc.	\$460,000	A Pelleted Sericea Lespedeza Supplement For Control Of Internal Parasites On Small Farms
Coherix, Inc.	\$460,000	Automated High-Speed Inspection of Brown and Brown-Speckled Eggs in Production Processing to Detect and Classify Surface Contaminants
Vortant Technologies, LLC	\$460,000	Self Contained Sensor and Telemetry for Remote Water Quality Monitoring
Giner, Inc.	\$460,000	Advanced Field-Deployable Monitor of Multiple Pesticides in Water
Technova Corporation	\$460,000	Development of an Inexpensive, Rapid and Highly Sensitive Perchlorate Nanobiosensor
Applied Geosolutions	\$460,000	Building an Operational Tillage Information System (OptIS)
The Nitrate Elimination Company, Inc.	\$460,000	Enzyme-based test kits for Phosphate
Innovative Educational Resources LLC	\$460,000	A Community Focused Participatory Research Program to Evaluate COSolutions
Compact Membrane Systems, Inc.	\$460,000	Solvent Recovery from Vegetable Oil Miscella by Novel Solvent-Resistant Nanofiltration Membranes
Edenspace Systems Corporation	\$460,000	Production of a Value-Added Crop for Greater Human Nutrition
Industry Vision Automation Corporation	\$441,863	Hyperspectral Fluorescence Imaging Detection System for Black Walnut Shell Fragments Recognition and Removal
TessArae, LLC	\$460,000	Validation of a Multiple Food-borne Pathogen Detection and Strain-Level Identification Assay
Sonsight Inc.	\$460,000	Farm-Sized Low Windspeed Turbine
OmniGreen Renewables LLC	\$460,000	An Integrated BioGas-Solar Dehydration System: Increasing Sustainability through Value-Added Agriculture
Learnimation, LLC	\$460,000	Early Math & Science Intervention for Rural Communities
Harrisvaccines, Inc.	\$460,000	Replison Particle Vaccine for White Spot Syndrome Virus in Marine Shrimp Phase II
Multi-Duti Manufacturing, Inc.	\$369,516	High Efficiency Axial Flow Pump
Arvens Technology, Inc	\$460,000	Creating a Pennycress Bioenergy Business
Carbo Analytics, LLC	\$460,000	Less Expensive Biofuel Production enabled by an Online Carbohydrate Monitor
World Centric	\$456,795	Compostable Packaging from Agricultural Residues
Compact Membrane Systems, Inc.	\$460,000	Venting of Underground Storage Tanks Containing Ethanol-Gasoline Blends
Lynntech, Inc.	\$460,000	Improved Heterogeneous Catalyst for the Transesterification of Fats and Oils to Biodiesel

The Tea Spot, Inc.	\$460,000	Optimizing Marketing Strategy and Consumer Connection for a Corn-Based Compostable To-Go Tea Filter in Mass Foodservice
Vision Robotics Corporation	\$100,000	Closed Loop Robotic Arm Control for Agricultural Applications
Cognisense Labs Inc.	\$100,000	POSE: Polarized Object Sorting Engine

**2012****Phase I: 63 Projects Funded for a Total of \$6,234,159**

<u>Company Name</u>	<u>Award Amount</u>	<u>Project Title</u>
Xiomias Technologies, L.L.C.	\$100,000	Staring Wide Area Imager (StareWAI) for Disaster Response and Earth Science
Applied Biotechnology Institute, Inc	\$99,983	Use of Cellulase-containing Maize to Lower Cost of Forest Products Biofuels
ISCA Technologies, Inc.	\$100,000	SPLATverb, a Drop-In technology to Manage the Mountain Pine Beetle
Greenwood Resources, Inc.	\$100,000	Hybrid Poplar Breeding for Improved Water use Efficiency for Short Rotation Tree Farming Under Semi-Arid Conditions
N-Ovation, Inc.	\$99,598	Development of an Efficient On-Farm Fertilizer Manufacturing System Utilizing a Pulsed Microwave Air to Nitric Oxide Plasma Reactor Power
ISCA Technologies, Inc.	\$100,000	Protecting Hawaiian Small Farm Production from Bactrocera Fruit Flies
Greenwood Clean Energy, Inc.	\$97,640	Evaluating Sources and Control method for small Scale Hydronic Heaters
Farmhand Foods	\$99,860	Farmhand Foods: Developing Innovative Business and Marketing Strategies that Create market Opportunities for Small-Scale Livestock Producers
Top 10 Produce LLC	\$100,000	Encouraging Small Farms to Adopt GS1 Food traceability Technology Through Branded a "Click-to-Play" Mobile Technology and Marketing Alliance
Highest Wind, LLC	\$100,000	Feasibility Demonstration Of A Wind Energy Glider For Renewable Energy At Small And Mid-Sized Farms
Hevva	\$100,000	Comparison Of Agricultural Marketing Success Across Multiple Platforms
TDA Research, Inc	\$100,000	Ambient Temperature Oxidation Catalyst for Ethylene Control in Fresh Produce Containers
ISCA Technologies, Inc.	\$100,000	Dual-Mode Nanosensory Platform For Citrus Tristeza Virus Detection
Exactheat LLC	\$93,011	Connection Of Electrodes On Polymer Based Heating Elements

WISER Systems Inc.	\$100,000	Wireless Sensor (WISER) Track-and-Trace: Autonomous, Cost Effective, Item-Level Food Safety from Field to Fork
Geo_Spider, Inc	\$99,023	Over the Top Citrus Harvesting Equipment for Fresh Markets in High Density Groves
AgSquared, LLC	\$100,000	Developing Grower-Centric Online Software Prototype To Enable Vegetable Producers To Collect Accurate And Timely Crop Harvest Information
Cibus US LLC	\$99,980	Disease Tolerance In The Solanaceae
Vestron Corporation	\$95,583	Enhancement Of Insecticidal Peptide Delivery
ISCA Technologies, Inc	\$100,000	REPEL ZC to Manage Potato Psyllids
Maureen Miekio Masuda Fitch	\$100,000	Evaluating the feasibility of Commercializing Genetically Engineered Nematode Resistant Anthuriums
Mycosyntetix, Inc.	\$100,000	Production Of Organic Herbicide Mevalocidin By Fungi
Agri-Anaysis LLC	\$100,000	Nanobodiesas Novel Reagents For Accurate And Rapid Identification Of Viral Pathogens In Specialty Crop Plants
Diagenetix, Inc.	\$99,778	Mobile Gene-Based Diagnostics for the Agricultural and Food Processing Industry
BioLink Life Science, Inc	\$97,215	Enhanced Hemoglobin Production In Neonatal Piglets With FCP, A Low Molecular Weight Iron Chelate
Sea Star International, LLC	\$99,512	Production Of A New Vaccine For Poultry To Prevent Salmonella
Pathovacs Incorporated	\$99,750	Immunologically Cross Reactive Proteins For Broadly Protective Campylobacter Chicken Vaccines
Owl Biomedical, Inc.	\$100,000	MEMS-Based Sperm Cell Sorting For Agricultural Breeding Programs
Pan Genome Systems, Inc.	\$99,682	Novel Vaccines for Johnes Disease
Q-Track Corporation	\$100,000	Q-Track Milk Operations Optimization System
Eureka genomics Corporation	\$99,782	Bovine Parentage Genotyping By Highly Multiplexed Next Generation Sequencing
Mesa Photonics, LLC	\$99,999	Low Cost Ammonia Sensor For Agricultural Emissions.
Skolex Biotechnologies	\$100,000	Improved Strategies For Elevated Vermicomposting Systems
OndaVia, Inc	\$100,000	Portable Herbicide Monitor
Los Gatos research	\$99,569	Laser-Based sensor for Nitrate Isotope Analysis in Water Pollution Monitoring
HydroBio, Inc.	\$99,956	Remotely-Sensed Irrigation Control Expert Systems (RJCES)
Kansas Environmental Management Associates, LLC	\$99,426	Phosphorus Removal From Ethanol Thin Stillage To Produce A Low Phosphorus Livestock Feed And A Valuable Granular Fertilizer.

Physical Sciences, Inc	\$100,000	Novel Air Processor for the Removal of Ammonia Gas From CAFO Air Streams
HansonTech Consulting	\$100,000	Innovative High-Airflow Smokehouse Design With The Novel Method Of Controlling Airflow To Cook Faster & To Reduce Temperature & Color Variation
Modern Meadow, Inc.	\$92,488	Engineered Comestible Meat
Orbital Technologies Corporation	\$100,000	LED Lighting For Maximizing Quality Parameters In Specialty Crop Production
Apto Tec, Inc	\$100,000	Preventing Bone Loss and Weight Gain with Combinations of Vitamin D and Phytochemicals
UES, Inc.	\$100,000	Real-time Detection of Food-borne pathogens and Toxins
Prosperity Organic Foods, Inc.	\$100,000	Development of Rich & Creamy <i>Melita</i> ® Cooking Blend for Taste, Nutrition, Oxidative stability and Reducing Childhood Obesity
Lynntech, Inc.	\$99,999	Rapid Detection of Mycotoxins
Krell Energy Efficiency, LLC	\$99,939	Energy Efficiency for Rural Communities
Learnimation, LLC	\$99,600	Math & science Problem Solving Intervention for Rural Communities
The Julia Group	\$99,920	Dakota learning: Computer-Assisted Mathematics Instruction in a Cultural Context
Automated Medical Diagnostic LLC	\$99,832	Metadata Assisted Management Of Diabetes In Rural Health Disparity Communities
Agri Wind Turbines	\$100,000	Using A Modified Grain Silo To Power A Vertical Axis Wind Turbine
Troutlodge Inc.	\$84,329	Genetic Sex Reversal Of Rainbow Trout
Northside Enterprises	\$99,496	Spawning, Fry Production And Hybridization Technologies For Producing Walleye For Foodfish And Stocking
Lingren-Pitman Inc.	\$97,692	Mechanical Scrubber For Aquaculture Netting
PhycoBiologics, Inc.	\$100,000	Novel Low Cost Extraction Of Algal Oils Used In Fish Feeds.
DAST LLC dba Prairie AquaTech	\$99,500	Production Of High Protein Distillers Dried Grains With Soluble (HP-DDGS) To Replace Fish Meal In Aquaculture Diets
Pemaquid Mussel Farms, LLC	\$99,780	Development Of A Modular Submersible Mussel Raft For Use In Semi-Exposed Maine Waters Subject To Drift Ice
Logos Energy, Inc.	\$100,000	RNA Interference-Based Oral Therapeutant For White Spot Syndrome Virus In Shrimp
Piedmont Biofuels Industrial, LLC	\$99,890	Robust and Sustainable Utilization of Biofuel Co-Products to increase Biorefinery Diversification
Organix, Inc.	\$83,736	Demonstration of an Affordable and Scalable Anaerobic Digester and Fiber Processing system for dairy Manure

TDA Research, Inc	\$100,000	Sustainable Green Diesel Production: Upgrading Biomass Waster Pyrolysis Oil
Panorama Research, Inc.	\$98,739	Gratuitous Inducer for Industrial Enzyme Production
Dast LLC	\$99,875	Engineering Photosynthetic Cyanobacteria to Produce the Energy-Dense Fuel Farnesene from Carbon Dioxide
Technology Holding, LLC	\$99,997	Novel Process for Production of Fatty Acids from Lignocellulosic Biomass

**2012****Phase II: 26 Projects Funded for a Total of \$10,671,668**

<u>Company Name</u>	<u>Award Amount</u>	<u>Project Title</u>
Azavea Inc.	\$450,000	Urban Forestry Modeling and Prioritization Tools
Whole Trees, LLC	\$361,500	Structural testing of Branched Timber and Truss Assemblies
Mainstream Engineering Corporation	\$100,000	A Biogas-Tolerant Engine-Generator for Advanced Agricultural Waste Management Systems
Sea Star International LLC	\$450,000	Antimicrobial Combinations that help Protect Against Salmonella spp. & L. monocytogenes in Organic & Natural Poultry Products
ISCA Technologies, Inc.	\$450,000	A Guava-Volatile-Based Repellent Formulation To Manage The Asian Citrus Psyllid, The Key Vector To Citrus Greening
Innovosoy, LLC	\$450,000	Global Feed in 3-D: An Information Technology Product for Strategic Decision Making and Market Analysis
Vision Robotics Corporation	\$450,000	Closed Loop Robotic Arm Control for Agricultural Applications
Sensor Development Corporation	\$449,852	Detect the Lesser Grain Borer in Stored Grain Using an Application of a New Science and Technology Phase II
ISCA Technologies, Inc.	\$450,000	SPLAT ACPAB ATK for the management of the Asian citrus psyllid, the key vector of Citrus Greening
Z4 Energy systems, LLC	\$450,000	Solar heater to Prevent Stock Tank Freezing
JDC, Inc.	\$100,000	Improved Hard Process; Breakthrough Kiln Process for Manufacturing Phosphoric Acid
Intelligent Optical Systems, Inc.	\$449,978	Distributed Optical Fiber Sensor Cable for Air Quality (Air-Sense)
Multiform Harvest, Inc.	\$448,947	Research And Development Leading To Commercial Feed And Fertilizer Products Made From Struvite Extracted From Dairy Wastewater.
Acclima, Inc.	\$450,000	Soil Profile Water Content Sensing System Based On TDR
Nutrasorb LLC	\$449,740	Targeted Childhood Obesity: Natural, Low Sugar Snacks With Concentrated Fruit Polyphenols
Intralytix, Inc.	\$449,865	Phage Preparation For Managing Salmonella On Foods

Applied Food Technologies, Inc.	\$450,000	Definitive Molecular Markers for Speciation of Fresh and Canned Tuna: Genus Thunnus
KidsCook Productions	\$450,000	KickinKitchen.TV- An Innovative, Digital Learning Interactive Educational Program On Nutrition, Cooking, And Active Lifestyles.
Robert Miller Consulting LLC	\$449,840	Enriching Rural American Farmers and Their Communities By Enabling Broadcasting To Power Transmitters With Wind Energy
Babble Tree, LLC	\$448,041	English Language learning Toolkit: Early Vocabulary Intervention study for Latino Non-English Speaking Students
Altaeros Energies, Inc.	\$450,000	Robust Airborne Wind Turbine
Hudson Simulation Services, LLC	\$395,248	Research and Development to improve Recruitment and Retention in Rural Emergency Medicine Using Mobile Simulation
ProFishent, Inc.	\$269,392	Micro-encapsulation and Nanotechnology Treatments to Prevent Proteolytic Diseases of Aquatic Animals
PolyNew, Inc	\$449,808	Biobased and Biodegradable Impact Modifier for Completely Renewable Bioplastic
Infinite Energy, LLC dba Infinite Energy	\$450,000	Formulating New Cellulases for Diverse Markets: Defining QA Parameters
Compact Membrane Systems, Inc.	\$450,000	Enhancing Biosynthesis of Biofuels from Cellulosic Biomass
Sonsight Inc.	\$460,000	Farm-Sized Low Windspeed Turbine
OmniGreen Renewables LLC	\$460,000	An Integrated BioGas-Solar Dehydration System: Increasing Sustainability through Value-Added Agriculture
Learnimation, LLC	\$460,000	Early Math & Science Intervention for Rural Communities
Harrisvaccines, Inc.	\$460,000	Replicon Particle Vaccine for White Spot Syndrome Virus in Marine Shrimp Phase II
Multi-Duti Manufacturing, Inc.	\$369,516	High efficiency axial flow pump
Arvens Technology, Inc	\$460,000	Creating a Pennycress Bioenergy Business
Carbo Analytics, LLC	\$460,000	Less Expensive Biofuel Production enabled by an Online Carbohydrate Monitor
World Centric	\$456,795	Compostable Packaging from Agricultural Residues
Compact Membrane Systems, Inc.	\$460,000	Venting of Underground Storage Tanks Containing Ethanol-Gasoline Blends

## Higher Education Challenge Grants

Mr. Aderholt: Please provide a chart showing the allocation of Higher Education Challenge Grants for fiscal years 2010 through 2012.

Response: This is a competitive program and awards have not been determined in FY 2013.

[The information follows:]

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
Appalachian State University	\$ 0	\$ 140,000	0
Auburn University . . . . .	307,000	0	142,760
Colorado State University . .	0	140,000	0
California State University . .	0	140,000	0
Clemson University . . . . .	0	0	142,506
Chicago State University . .	0	140,000	0
Kansas State University . . .	0	168,000	1,427,364
Oklahoma State University . .	0	0	285,283
The Pennsylvania State Univ.	0	140,000	0
University of Arizona . . . .	455,000	0	0
University of California . . .	464,000	281,000	0
University of Delaware . . . .	0	0	265,485
University of Florida . . . .	15,000	716,000	12,896
University of Connecticut . .	0	140,000	0
University of Georgia . . . .	140,000	0	0
University of Idaho . . . . .	461,000	0	0
University of Chicago, Loyola	0	0	28,504
University of Minnesota . . .	0	701,000	252,389
University of Missouri . . . .	0	261,000	0
University of Nebraska . . . .	0	28,000	0
University of Tennessee . . .	0	408,000	142,762
University of Wisconsin . . .	0	140,000	41,920
Purdue University . . . . .	466,000	0	0
Iowa State University of Science and Technology . . .	775,000	280,000	856,609
Michigan State University . .	288,000	0	0
The University of Montana . .	140,000	0	0
University of Nevada, Reno .	100,000	0	0
State University of New York	224,000	95,000	0
Syracuse University . . . . .	0	0	713,849
University of North Carolina at Greensboro . . . . .	466,000	280,000	0
Saint Joseph's University . .	0	128,000	0
The Ohio State University . .	888,000	0	0
South Dakota State University	139,000	280,000	0
Virginia Polytechnic Institute and State University . . . .	68,000	774,000	0
Subtotal . . . . .	5,396,000	5,380,000	4,561,000
Federal Administration . . .	226,000	225,000	191,000
Peer Panel Cost . . . . .	32,000	37,000	18,000
Total . . . . .	5,654,000	5,642,000	4,770,000

## Hispanic Education Partnership Grants

Mr. Aderholt: Please provide a chart showing the allocation of Hispanic Education Partnership Grants for fiscal years 2010 through 2012.

Response: This is a competitive program and awards have not been determined in FY 2013.

[The information follows:]

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
South Mountain Community College . . . . .	\$ 0	\$289,000	0
California State University Los Angeles . . . . .	\$290,000	0	0
California State University, Fresno . . . . .	535,000	0	0
California State University Fullerton . . . . .	0	555,000	0
California State University, Northridge . . . . .	285,000	0	0
California State University Pomona . . . . .	0	573,000	202,466
California State University, San Marcos . . . . .	247,000	0	0
California State University, Stanislaus . . . . .	247,000	0	0
California State University, Bakersfield . . . . .	0	0	295,000
Dominican University, CA . . . . .	0	229,000	0
Hartnell Community College District . . . . .	0	0	250,000
University of La Verne, CA . . . . .	0	244,000	0
Rancho Santiago Community College District . . . . .	290,000	0	0
The Regents of the University Of California . . . . .	290,000	289,000	0
University Enterprises Corp, CA . . . . .	0	501,000	550,000
West Hills Community College District . . . . .	248,000	0	0
Colorado, Otero Junior College . . . . .	290,000	0	0
Contra Costa Community College . . . . .	0	0	295,000
Broward College, FL . . . . .	0	287,000	0
Florida International University . . . . .	290,000	800,000	850,000
University of Florida . . . . .	25,000	24,000	25,207
Northeastern Illinois University . . . . .	538,000	0	0
Eastern New Mexico University . . . . .	280,000	0	0
New Mexico Highlands University . . . . .	290,000	0	295,000
New Mexico State University . . . . .	290,000	800,000	850,000
University of New Mexico . . . . .	0	0	0
Regents of the University of New Mexico . . . . .	290,000	0	0
University of the Incarnate Word . . . . .	0	0	295,000

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
University of Puerto Rico . . . .	290,000	289,000	280,000
University of Puerto Rico Mayaguez . . . . .	0	800,000	850,000
Houston Community College System, Texas . . . . .	689,000	245,000	0
Laredo Community College, Texas . . . . .	291,000	0	0
Pima Community College . . . . .	0	0	295,000
St. Edward's University, Texas	315,000	0	0
Sul Ross State Univ., Texas. . .	290,000	0	0
Texas A&M University, Kingsville . . . . .	580,000	800,000	850,000
Texas A&M University, Corpus Christi . . . . .	537,000	247,000	65,039
Texas State Univ.-San Marcos . .	0	800,000	862,000
The University of Texas at El Paso . . . . .	290,000	800,000	1,145,000
The University of Texas at San Antonio . . . . .	580,000	0	
University of Texas-Pan American	0	245,000	295,000
University of Houston- Downtown, Texas . . . . .	<u>2 47,000</u>	<u>0</u>	<u>0</u>
Subtotal . . . . .	8,834,000	8,817,000	8,830,000
Federal Administration. . . . .	370,000	368,000	369,000
Peer Panel Costs . . . . .	<u>33,000</u>	<u>33,000</u>	<u>20,000</u>
Total . . . . .	9,237,000	9,218,000	9,219,000

#### Agriculture and Food Research Initiative (AFRI) Collaborative Research

Mr. Aderholt: Please summarize NIFA's collaborative research projects with the National Science Foundation and other federal research agencies for fiscal years 2009 through 2013. Also describe NIFA's plans for fiscal year 2014. Include the name of the projects, funding levels and purpose.

Response: AFRI funded collaborative projects with other federal research agencies including those provided in the chart below. In fiscal year 2014 NIFA anticipates engaging in two additional collaborative research projects, the Carbon Cycle Science project with \$4,500,000 of AFRI funds and the Multinational Greenhouse Gas project with \$500,000.

[The information follows:]

## AFRI Interagency Programs

Title	Year Funded	Collaborators	Total	Purpose
Plant Feedstock Genomics	2010-2013	DOE	\$6,000,000	The goal is to support fundamental research on biomass genomics and provide the scientific foundation to facilitate use of lignocellulosic materials—i.e., nonfood plant fiber—for bioenergy and biofuels.
National Robotic Initiative	2012-2013	NSF, NIH, NASA	\$6,000,000	The goal is to accelerate the development and use of robots in the United States that work beside, or cooperatively with, people.
Ecology and Evolution of Infectious Diseases	2010-2013	NSF, NIH, United Kingdom	\$5,000,000	The goal of this program is to support research on the ecological, evolutionary, and socio-ecological principles and processes that regulate the transmission dynamics of infectious diseases.
Dual Purpose/ Research in Biomedicine and Agriculture	2011-2013	NIH	\$10,000,000	The goal of this program is to support research that utilizes agriculturally important domestic species to improve both human health and animal agriculture.
Water Sustainability and Climate	2010-2013	NSF	\$5,000,000	The goal is to understand and predict the interactions between the water system and climate change, land use (including agriculture, managed forest and rangeland systems), the built environment, and ecosystem function and services through place-based research and integrative models.
Climate Prediction Using Earth Systems Modeling	2010-2013	NSF	\$15,000,000	The goal of this program is to improve upon and expand on current modeling capabilities to substantively contribute to the advancement of reliable regional climate predictions.
Disaster Resilience for	2010-2011	NSF	\$2,000,000	The goal of this program was to support research

Title	Year Funded	Collaborators	Total	Purpose
Rural Communities				that addressed the vulnerabilities and resilience of rural communities to natural hazards or other risks.
Enhancing Ecosystem Services from Agricultural Lands	2010	EPA	\$3,500,000	The goal of this program was to support research on the ecosystem services in agricultural settings, including agroecosystems and ecosystems that are impacted by agriculture.
Increasing Scientific Data on the Fate, Transport and Behavior of Engineered Nanomaterials	2010	NSF, EPA	\$2,200,000	The goal of this program was to support fundamental and applied research related to engineered nanomaterials.
Carbon Cycle Science	2014	NASA, DOE	\$4,500,000	The goal is to provide critical scientific information about the movement of carbon in the environment and potential near- and long-term changes in the carbon cycle, including the role of and implications for societal actions.
Multinational	2014	Canada, New Zealand, 11 EU countries of Joint Programming Initiative on Agriculture, Food Security and Climate Change (FACCE-JPI)	\$500,000	The goal is to facilitate international coordination and collaboration in the climate change and agricultural greenhouse gas research programs.

## Peer Panels

Mr. Aderholt: How many peer panels were convened in fiscal year 2012? How many are expected to be convened in fiscal year 2013?

Response: In fiscal year (FY) 2012, an estimated 94 peer panels convened. During FY 2013, NIFA expects to hold about the same number as in FY 2012, or possibly more to include new panels not held in previous years, such as those needed for new competitions held in FY 2013.

## Honoraria and Travel

Mr. Aderholt: Please provide a list of total honoraria and travel paid by NIFA for peer panels for fiscal years 2009 through 2013. What is the budget for peer panels in fiscal year 2014?

Response: The information is provided for the record.

[The information follows:]

Fiscal Year	Honoraria Costs	Travel Costs
2009	\$537,116	\$1,553,045
2010	\$376,925	\$1,614,656
2011	\$330,926	\$804,677
2012	\$486,261	\$1,524,072

For FY 2013 peer panel honoraria costs and travel costs are not yet final. The budget for peer panel costs in FY 2014 is contingent upon 2014 enacted funding levels for NIFA and assumptions are based on program management decisions.

## Federally-Recognized Tribes Extension Program (FRTEP)

Mr. Aderholt: Please update the summary provided in the fiscal year 2013 hearing record regarding the Federally Recognized Tribal Extension Program, including potential recipients, number of applicants and a description of the projects that have received funding, for fiscal years 2009 through 2013.

Response: The purpose of this program is to support Extension Agents who establish Extension education programs on Indian Reservations and Tribal jurisdictions of Federally-Recognized Tribes. While this is a competitive grant program, extension offices are established and managed under the auspices of the 1862 Land Grant University in each state. In 2009, NIFA funded 24 new and 4 continuation projects for a total of 28 funded projects. In 2010, the 28 projects were funded under continuation grants. In 2011 under continuation awards, 36 FRTEP programs reached 15,000 farmer contacts, 29,000 American Indian youth, 70,000 community contacts, and improved 131,000 acres of Reservation land. In 2012, continuation awards of 36 FRTEP programs reached 18,199 farmer contacts, 42,699 American Indian youth, 120,089 community contacts, and improved 449,489 acres of Reservation lands. A full detail of the 2012 funded programs follows. The 2013 awards have not been finalized.

[The information follows:]

Projects Funded in 2012

AK - Tanana Chiefs Conference

The Athabascan tribes of Interior Alaska face a high cost of living, poverty, and an epidemic of preventable disease and suicide. The Tanana Chiefs Conference FRTEP has been a catalyst for positive change for over 20 years and intends to continue its influence over the next four. Program activities are flexible to meet the diverse needs and priorities of 37 tribes, and provide research-based education to compliment cultural values. Subjects covered include gardening, agriculture, nutrition, healthy cooking, food safety and youth development. In the past five years, the number of gardeners in the region has increased by 30 percent as a result of the FRTEP program. This contributes to increased food security and health among the peoples of the Tanana Chiefs Conference.

AK - Vibrant Communities Through Resilient Youth (VCTRY)

This project serves Tribal communities in Dillingham, Alaska, particularly 31 Yu'pik, Alutiig and Athabascan tribes located in remote rural communities throughout western Alaska. The project will provide 4-H programming and other activities to tribal youth in the isolated villages throughout the area. The FRTEP educator surveyed Bristol Bay tribal youth and found they were seeking more opportunities to learn and to give back to their communities. Most importantly, they are willing to take use their own initiative to improve their communities and are willing to teach others, including younger youth. Their responses indicated a strong connection with their culture through hunting, fishing, berry picking and language. This set the groundwork for future FRTEP youth programs in this region, including an innovative science program.

AZ - Hualapai/Havasupai

The University of Arizona serves the Hualapai and Havasupai tribal communities through youth programs in gardening, livestock and horsemanship. It will also provide opportunities for youth to learn about their land through natural resource education. The projects will be open to all community youth, and will often be based out of youth serving locations in Peach Springs, including the Boys and Girls Club, the Hualapai Juvenile Detention & Rehabilitation Center, Headstart or other programs. A strong focus will be on encouraging youth to continue with post secondary education. The program will strive to inspire adults from many sectors in the community to work with the youth as well as mentors.

AZ - Hopi

The University of Arizona continues to serve the Hopi Agricultural Producers through new market development and by finding ways to enhance Tribal food security. It will help Hopi Youth continue agricultural traditions. In partnership with the Tribal government, this program seeks to improve community capacities on the areas of natural resource management, community development, youth education and improved nutrition for disease prevention.

AZ - Colorado River Indian Tribes

The University of Arizona continues to provide workshops that present researched-based information to Reservation growers, enabling them to make sound management decisions for agricultural crops, such as the control of weeds, insects and pathogens. The program will increase food safety awareness and promote healthy lifestyle choices in order to reverse Reservation trends in obesity, diabetes and heart disease. The outreach will also include trainings in low-desert gardening techniques. It will promote the revival of traditional garden crops, ceremonies and growing techniques. The 4-H program will continue to partner with Boys and Girls Clubs to promote American Indian participation in youth activities.

AZ - San Carlos Apache

The University of Arizona continues to develop the skills, aspirations, attitudes, and behaviors of San Carlos Apache youth through programs in gardening, nutrition, cattle husbandry, horsemanship and 4-H Clubs. The program goal is to encourage youth to adopt Apache traditions that will benefit them and their environment. It will promote post-secondary education for youth at colleges, universities, and technical schools. The Extension educator will show youth that continuing their education not only improves their lives, but also benefits the greater Apache community. To meet this goal, the project will call upon adults from many career sectors in the community to teach, mentor and collaborate with youth.

AZ - Shiprock

The University of Arizona continues to provide the Navajo Nation's farmers and ranchers with demonstrations and workshops featuring experts from local universities and Federal programs. The Extension educator will encourage producers to adopt sustainable agricultural practices by showing farmers how to adopt new technologies. The program will also help producers develop agribusiness plans to address food security within the Tribe. The educator will also spearhead an effort to use focus groups to help the Navajo Nation address food security and food policies as a community.

AZ - Navajo Nation-Western Agency - Tuba City

The University of Arizona offers Navajo Producers an opportunity to increase productivity through a university-developed management and farming strategies. This FRTEP project continues to address health issues on the reservation through its partnerships with the Indian Health Service and the Navajo Nation Departments, particularly in the area of diabetes management. This program will also continue to provide opportunities for youth in the Western Navajo Agency through 4-H, Junior Rodeo and activities involving gardening and nutrition. There are two summer camps: one informs youth of career opportunities in Natural Resources and Agriculture; the other is a wilderness survival camp in a remote area of the Navajo Nation.

AZ - Tri-State/Navajo Nation-Window Rock

The University of Arizona plans to advance educational opportunities by pooling resources and leveraging collaborations through the long-standing Navajo Nation Extension Partnership (NEP) with the Navajo Nation Department of Agriculture, Dine College, and Navajo Technical College and Extension providers from three 1862 land grant universities. There will also be

partnerships with the Navajo Nation EPA, Indian Health Service personnel and other tribal and community organizations to more efficiently deliver much-needed agricultural and education-based support services throughout the 27,000 mile Navajo reservation.

#### FL - Seminole

The University of Florida continues to serve the Seminole tribal community with an extension program that support cattle producers as they improve their farm operations, increasing sustainability and profitability. For example, FRTEP workshops helped Reservation producers achieve higher condition scores, resulting in a 10 percent increase in calving rate which means higher income. Tribal members will also gain access to the University of Florida Soils Lab, through the FRTEP agent. This allows Reservation producers to determine proper fertilization for pastures, resulting in better management and sustainability. The youth development aspects of this project will result in positive behavioral changes and increased social skills and leadership development.

#### CA - Northwest California Tribal Communities Extension Program

The University of California-Davis will partner with the Hoopa, Yurok, and Karuk tribal members to provide 4-H programs. The project will take youth on college tours, provide career speakers and develop hands-on learning opportunities. For the producers, agricultural workshops will be provided on sudden oak death, hay and poultry production and livestock health. The program will also provide technical assistance to commercial and home horticulture producers so they can increase their incomes. A FRTEP network will link successful county agricultural producers to mentor American Indian farmers and ranchers, so they will achieve higher profitability.

#### ID - Coeur d'Alene

The University of Idaho supports the Coeur d'Alene Tribe with an extension program that reflects Tribal priorities, including comprehensive youth programming, culturally relevant science, technology and math education and community and economic development. It will also help the Tribe improve food systems and sustaining cultural knowledge. Project activities will include classes, workshops and 4-H programs. The project will also work to increase the knowledge of land tenure issues in order to secure and protect Indian land and resources for future generations. In addition, the program provides financial literacy training.

#### ID - Fort Hall

The University of Idaho continues to improve profitability of Ft. Hall Reservation ranches and farms. This is achieved through one-on-one support as well as workshops and training. The goal of the project is to improve the genetic quality of beef cattle, reduce the incidence of cattle *dystocia* on Reservation ranches by half and control *trichomoniasis*. The Extension educator also teaches financial management classes to increase ranch profitability, and works with the ranching community in an ongoing effort to rehabilitate 25,000 acres of fire damaged rangeland. The project also supports the farming community by working to reduce noxious weeds and through horticultural workshops. In addition, a youth outreach effort provides programs on agriculture, science, nutrition and life skills.

ID - Nez Perce Tribe Extension Program

This project will focus on empowering American Indian youth, primarily through horsemanship. In addition, it will provide programming on gardening and community development. Programs will be delivered through small groups or one-on-one training. This project will also coordinate with the Nez Perce Tribe's Natural Resource Department, University of Idaho faculty, school districts, and other agencies. Extension offices in the four-county area of the Nez Perce reservation do not have targeted educational programming that serves this Reservation community, primarily because they lack sufficient staffing support, making the FRTEP program the sole Extension resource for the community.

MI - Toward Sustainable, Sovereign Tribal Food Systems

The Michigan State University project will continue to strengthen its partnership with the Bay Mills Indian Community, the Hannahville Indian Community, the Little Traverse Bay Bands of Odawa Indians, and the Sault Ste. Marie Tribe of Chippewa Indians. The proposal recognizes the different food system conditions on the four participating tribes and the need to tailor each Tribe's programs in response to those conditions. A key outcome of this effort will be the instilling of the entrepreneurial environment within the tribal food systems. University staff will continue the Youth Farm Stand Projects (YFSP), which brings youth together to experience the benefits of local agriculture in terms of health and community building, while they develop business management skills.

MN - People Land and Water

The University of Minnesota Program continues to improve the health and well-being of the Band's members by securing indigenous food supplies, reviving traditional Anishinaabe agricultural practices and protecting the Reservation's natural resources. This year, the program will establish demonstration gardens for youth, families, and community members to promote small scale agricultural practices. Gardens will also provide students a place to conduct research and service learning projects. This FRTEP program will also establish a heritage seed bank that meets regional needs of drought tolerance, short growing seasons and frost adaptability. In addition, the program will build upon its previous success in the last grant cycle by continuing to provide technical assistance to the Tribe on wastewater treatment and water quality preservation.

MS - Choctaw

Mississippi State University continues to serve the Choctaw Indian community with more than 30 educational programs, including a Choctaw Farmers Market, which assists Band producers developing and marketing agri-products. The program has built a level of trust with the Band that has resulted in the community gaining better access to Mississippi State University's resources. The FRTEP program has also been helping community members discover careers in agriculture and natural resources, leading to better prospects for them and their families.

MT - Fort Peck

Montana State University will provide Fort Peck Reservation producers with workshops, seminars, and one-on-one support in the traditional extension format in the areas of farm business management, animal stewardship, sustainable farm practices and risk management. The program will also provide non-traditional 4-H programs that can reach over 1,000 youth in need across the reservation. Projects will continue to be educational in nature with a science, engineering, and technology curricula. Other programs will include leadership challenges, junior master gardener, health and nutrition, arts and crafts, culturally significant projects, horse camps, animal science and shooting sports.

MT - Northern Cheyenne

Montana State University continues to connect Northern Cheyenne Elders and Youth in an effort to revitalize cultural and agriculture traditions. It will demonstrate a holistic approach to sustainable agriculture based upon community needs, ethics, and traditions. In addition, it will help the community access heirloom and traditional seeds with a focus on educating the community on traditional seed saving. Northern Cheyenne FRTEP will also continue to provide area youth groups, organizations, and its two 4-H clubs with enriching activities while providing similar opportunities to schools on the Northern Cheyenne Reservation. In addition, Reservation producers will be supported with a pest management tour, *trichomoniasis* prevention workshops and a farmers market.

MT - Flathead

Montana State University continues to work with farmers and ranchers on pasture and range management, water utilization and livestock production. One-on-one visits, publications and trainings will keep Reservation producers aware of findings in agricultural research, technology advances and updates on key Federal programs. This knowledge will enable farmers and ranchers to make informed decisions that enhance their profitability and result in best management practices. This program will also continue to develop 4-H clubs with leaders who provide Reservation youth with afterschool activities and school enrichment. Adults, teens and elders will mentor elementary-aged youth to foster healthy, meaningful family relationships. Mentors help youth with homework and 4-H projects.

MT - Fort Belknap

Montana State University continues to provide Extension support to cattle producers and youth development. The FRTEP agent will visit family ranches and farms to offer assistance and promote technology literacy through training, with a focus on the women producers. The agent also provides junior agriculture education and summer camps. The FRTEP agent will also offer special classes in conservation planning, records management, business plan development, animal husbandry and other programs as requested by the community. Though a complementary relationship with the 1994 Institution, the FRTEP program will be part of a comprehensive Extension outreach that also includes community gardens and food preservation.

MT - Blackfeet

Montana State University continues to be a conduit for Reservation producers to receive support from a variety of experts including Montana's agricultural research station scientists, MSU's diagnostic lab, Montana Department of Livestock and Vet Services and the state's agri-marketing specialist. The primary industry in the Reservation community is agriculture, with Reservation lands supporting 575,256 acres of grain and approximately 1,014,000 acres of grazing lands. This agricultural-focused program responds to community demands to support the Reservation's agricultural producers. It will also include 4-H youth development activities.

NV - Nevada Indian Tribes

The University of Nevada Cooperative Extension Service continues to serve the Washoe, Shoshone, and Paiute tribal communities with an extension program focused on agricultural education and youth leadership. This program increased the state conservation funds used by American Indian farmers and ranchers and resulted in the construction of 14 low-cost hoop houses for vegetable production at six reservation communities. Going forward two more communities will be getting hoop houses. An outreach at two elementary schools will be continued, with over 1,000 youth being served. Land leveling has resulted in irrigation for 7,000 acres at Duck Valley Reservation and 1,659 at Walker River. Increasing the number of productive acres on Reservations will continue to be a goal of the program moving forward.

NC - Cherokee

North Carolina State University continues extension programs on the Cherokee Reservation in western North Carolina that focus on health and food security through gardening. The outreach effort includes demonstrations projects, farm trials and interactive hands-on workshops. Other innovative ways to reach Tribal members include: a mobile classroom that travels into the mountains to provide garden information, an on-site teaching garden and a program distributes starting materials for home gardens so that more families can enhance their food security and diet.

NM - Zuni

This New Mexico State program provides 4-H programs in pottery, livestock, shooting sports, sewing and canning. It will address youth in crisis through programs in suicide and substance abuse prevention and anti-bullying. There will be a nutrition outreach as well. Farmers and ranchers will be able to attend beef and sheep quality assurance programs and a hands-on sheep shearing school. The gardening outreach will involve education on dry land farming, school and community gardens and a farmers' market exchange.

NM - Jicarilla

The goal of this New Mexico State University program is to help agricultural producers, especially women farmers, on the Jicarilla Reservation. It will also provide activities for Reservation youth. The project seeks to help farmers understand new technologies that can boost production and promote the use of sustainable agricultural practices. For women producers, who are a growing segment of the farming community, this project seeks to inform them of resources that can help them succeed. The

program also reaches Jicarilla youth with information about the importance of agriculture in their Tribal history and gives them information on maintaining healthy lifestyles. Youth at risk are also mentored through this grant.

ND - Extension on the Fort Berthold Indian Reservation

The overarching goal for the North Dakota State University FRTEP project is to expand opportunities for tribal youth at the Fort Berthold reservation. The program will build upon its in-school enrichment programming that teaches students about agriculture, nutrition, and health. It will expand the number of Reservation youth who can participate in 4-H. NDSU Extension brought the popular "Dining with Diabetes" program to Fort Berthold in 2012, and is proud to be the first Extension office in the state to provide this program to Indian reservations. In addition, this FRTEP project provided assistance to Reservation agricultural producers through promotion of biological control agents to manage the spread of leafy spurge.

OK - Muscogee Creek

Oklahoma State University continues to provide the Muscogee (Creek) Nation with an extension program that focuses on youth development and serves as a liaison between the state Cooperative Extension Service and the Creek Nation. Creek families gain access to programs in agriculture, human sciences and 4-H. Youth are the focal point of the project, with science activities such as robotics, straw and pop bottle rockets. The FRTEP Extension educator impacts the lives 56,000 Creek citizens by enhancing the ability of 55 Cooperative Extension Service educators in 21 counties to better reach Native American families with educational programs.

OR - Warm Springs

Through this grant, Oregon State University continues to engage the tribal community in improved range management by focusing on invasive species and livestock health. To help producers achieve a higher rate of return on their land, the program will also provide agri-business education that covers local and global food supplies, crop diversification and marketing. The Agriculture in the Classroom Program at Warm Springs will continue to provide tribal youth with knowledge and skills in the area of food production and nutrition. The FRTEP program also plans an outreach to tribal teachers, especially those who provide lessons on food and culture. An Extension garden will also be used to provide youth hands-on activities.

SD - Pine Ridge

South Dakota State University will help the Oglala Sioux Tribe enhance agricultural productivity, revitalize communities and educate reservation youth, particularly in math and science. While the Tribe reports that the major economic operation is cattle farming, the number of American Indian ranchers is limited, with much of Tribal land leased to non-members. The FRTEP project will help American Indian ranchers to improve land usage, while supporting organizations that encourage American Indian to pursue agricultural production. The region is considered to be a food desert as there are only two grocery stores. The FRTEP agent will address the need for better access to quality produce through community gardens, working in partnership with Oglala Lakota College. The youth outreach will involve 4-H and other activities involving science and conservation.

SD - Rosebud

South Dakota State University uses this grant to continue youth activities, financial literacy workshops and community gardens on the Rosebud Reservation. Many stakeholders on the Rosebud Reservation lack Internet access and the FRTEP program continues to fill an information void, linking the community to knowledge and resources. The Rosebud Extension Office has recently signed a comprehensive collaborative partnership agreement with the Boys and Girls Club of Rosebud to provide curriculum and programming. Additionally, the program will promote community health by offering training in food preservation and localized agriculture, in an effort to foster community engagement and self-determination. In rancher outreach, this office will continue its efforts to educate producers and landowners about sustainable practices in livestock production and land management.

SD - Cheyenne River

The U.S. Census reports that 45 percent of the Reservation population is under 18, so much of the program will be youth development. Youth programming will include robotics, photography, film and environmental education. School gardens and summer youth camps will contribute to learning among the Reservation youth. The agricultural component of this project will focus on small acreage farming and increased participation in farmers' markets among American Indian growers.

WA - Colville

Washington State University prides itself on using USDA funding and its Extension expertise to build a working partnership over the last 20 years with the Colville Confederated Tribes. The university will continue to promote youth development through programs in agriculture, science, cultural knowledge and conservation. It will offer agricultural producers productivity enhancing programs while facilitating natural resource management. In addition, Reservation producers will be able to learn about market development in order to build a better quality of life for their families. This program fulfills a need for direct outreach in a community where 80 percent of households lack broadband Internet.

WA - Kalispel Tribe of Indians - WSU Pend Oreille County Extension

This Washington State program was established in 2011 with FRTEP planning funding. It will serve the Kalispel Tribe of Indians (KTI) through community gardens in an effort to address the Reservation's designation as a food desert. The Kalispel buffalo herd was established in 1978 with consultative assistance from WSU Cooperative Extension. The Tribe has requested that USDA FRTEP help develop a management plan for the herd, that will include a grazing plan, integrated weed management, pasture and hay land improvement and genetic diversification. The weed management effort will also increase the acreage available for food production.

WI - Wisconsin Bad River Reservation Extension Project

The program, started as a pilot project, continues to expand its educational programming on the Bad River Indian Reservation in Northwest Wisconsin. High rates of obesity and diabetes are a growing problem for children and adults in the Bad River community, as identified by health statistics. This FRTEP program educates tribal youth in growing, harvesting

and preparing traditional foods as a means achieving better health while preserving cultural traditions. Importantly, youth have become engaged in many of the new activities and have expressed interest in continuing these activities.

WY - Wind River

The University of Wyoming continues to provide extension education programs to the Shoshone and Arapahoe Tribes of the Wind River Reservation. It provides educational programs to a wide variety of tribal members, with a particular focus on agricultural producers. It supports youth through agriculturally related programs. While there are approximately 200 agricultural producers on this reservation, there are only two range conservationists assigned to help manage the entire 2.2 million acre landmass. There is also no Tribal agricultural department. Therefore, Extension's presence is greatly needed and appreciated by Wind River residents.

Global Change and UV Monitoring Program

Mr. Aderholt: Please update the chart provided in the fiscal year 2013 hearing record showing funding for the Global Change and UV Monitoring Program for fiscal years 2009 through 2013.

Response: The information is provided for the record.

[The information follows:]

	Budget Authority
Fiscal Year 2009	\$1,408,000
Fiscal Year 2010	\$1,408,000
Fiscal Year 2011	\$1,405,184
Fiscal Year 2012	\$1,300,000
Fiscal Year 2013	\$1,308,000

IR-4 Grants

Mr. Aderholt: Please provide a chart showing all IR-4 grants, including the amount, recipient(s) and purpose for fiscal years 2009 through 2013.

Response: The information is provided for the record.

[The information follows:]

Purpose: The IR-4 Headquarters coordinates activities nationally and internationally with other agencies and organizations including the U.S. Environmental Protection Agency, USDA's Agricultural Research Service, Canada's Pest Management Centre of Agriculture, Agri-Food Canada, and the crop protection industry. Projects are evaluated by state and federal scientists, commodity group representatives, growers and other experts. Headquarters staff manages pesticide registration protocols and prepares petitions for submission to the U.S. Environmental Protection Agency. The IR-4 Regional Centers identify field, laboratory, and quality assurance experts to generate data needed for pesticide registrations. Regional

Centers analyze residue samples from field trials as well as from other sources.

Fiscal Year	Recipient	Amount
2009	IR-4 Headquarters, Rutgers University	\$2,919,826
	NC Region, Michigan State University	\$1,723,015
	NE Region, Cornell University	\$1,568,307
	Southern Region, University of Florida	\$2,056,274
	Western Region, University of California	\$2,919,338
2010	IR-4 Headquarters, Rutgers University	\$3,382,853
	NC Region, Michigan State University	\$1,943,070
	NE Region, Cornell University	\$1,068,689
	Southern Region, University of Florida	\$1,967,317
	Western Region, University of California	\$2,972,923
2011	IR-4 Headquarters, Rutgers University	\$3,364,921
	NC Region, Michigan State University	\$1,857,430
	NE Region, Cornell University	\$945,840
	Southern Region, University of Florida	\$2,124,400
	Western Region, University of California	\$3,019,460
2012	IR-4 Headquarters, Rutgers University	\$2,948,618
	NC Region, Michigan State University	\$1,891,412
	NE Region, Cornell University	\$939,745
	Southern Region, University of Florida	\$2,245,095
	Western Region, University of California	\$3,048,635
2013	FY 2013 funding has not yet been awarded	

#### Food and Agriculture Defense Initiative

Mr. Aderholt: Please provide a chart showing all Food and Agriculture Defense Initiative grants, including the amount, recipient(s) and purpose for fiscal years 2009 through 2013.

Response: The Food and Agriculture Defense Initiative supports integrated activities (research, education, and/or extension) in support of national networks that provide for the defense of American agriculture. The FY 2013 cooperative agreements have not been determined. The details for FY 2009 through FY 2012 are provided for the record:

[The information follows:]

Institution Name	Fiscal Year 2009 Award Amount (\$)	Fiscal Year 2010 Award Amount (\$)	Fiscal Year 2011 Award Amount (\$)	Fiscal Year 2012 Award Amount (\$)	Purpose or Title
University Arizona	298,000	298,000	182,000	182,000	National Animal Health Laboratory Network: Arizona
University of California	830,350	853,182	500,000	500,000	Western Regional Center in the National Plant Diagnostic Network
University of California	308,000	298,000	182,000	182,000	National Animal Health Laboratory Network: California
Colorado State University	298,000	298,000	182,000	182,000	National Animal Health Laboratory Network: Colorado
Florida Department of Agriculture	298,000	298,000	182,000	182,000	Homeland Security - Agriculture
University of Florida	830,350	975,899	500,000	500,000	The Southern Plant Diagnostic Network
University of Georgia	298,000	298,000	182,000	182,000	Georgia National Animal Health Laboratory Network Program
Iowa State University	298,000	298,000	182,000	182,000	National Animal Health Laboratory Network Activities for Iowa State University
Purdue University	248,250	250,000	175,000	175,000	National Plant Database Network; National Database/National Network Diagnostic Center
Purdue University	50,000	50,000	31,000	31,000	National Animal Health

Institution Name	Fiscal Year 2009 Award Amount (\$)	Fiscal Year 2010 Award Amount (\$)	Fiscal Year 2011 Award Amount (\$)	Fiscal Year 2012 Award Amount (\$)	Purpose or Title
					Laboratory Network for the Food and Agriculture Defense Initiative
Purdue University	485,000	499,000	304,575	305,000	Extension Disaster Education Network Homeland Security Initiative: Strengthening EDEN's Role in Homeland Security, Food and Ag Defense, and All-Hazard Education
Kansas State University	830,350	853,182	500,000	500,000	Grant Plains Diagnostic Network
Kansas State University	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Kansas
Murray State University	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Kentucky
Louisiana State University	298,000	298,000	182,000	182,000	National Animal Health Laboratory Network: Louisiana
Michigan State University	830,350	965,962	575,425	575,940	North Central Plant Diagnostic Network
Michigan State University	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Michigan
University of Minnesota	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Minnesota

Institution Name	Fiscal Year 2009 Award Amount (\$)	Fiscal Year 2010 Award Amount (\$)	Fiscal Year 2011 Award Amount (\$)	Fiscal Year 2012 Award Amount (\$)	Purpose or Title
Mississippi State University	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Mississippi
North Carolina Department of Agriculture and Consumer Services	298,000	298,000	182,000	182,000	National Animal Health Laboratory Network: North Carolina
University of Nebraska	50,000	50,000	31,000	31,000	Further Integration of the Nebraska Veterinary Diagnostic Center into the National Animal Health Laboratory Network
New Jersey Department of Agriculture	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network
New Mexico State University	50,000	50,000	31,000	31,000	New Mexico Agriculture Livestock Incident Response Team Training Program to Enhance Staff Training for Foreign and Emerging Animal Diseases
Cornell University	298,000	298,000	182,000	182,000	National Animal Health Laboratory Network: New York
Cornell University	980,350	1,079,969	500,000	500,000	Northeast Plant Diagnostic Network
The Ohio Department of Agriculture	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network supplemental

Institution Name	Fiscal Year 2009 Award Amount (\$)	Fiscal Year 2010 Award Amount (\$)	Fiscal Year 2011 Award Amount (\$)	Fiscal Year 2012 Award Amount (\$)	Purpose or Title
					agreement for IT and equipment support
Oregon State University	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Oregon
Pennsylvania Department of Agriculture	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Pennsylvania
South Dakota State University	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: South Dakota
State of Tennessee Department of Agriculture	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Tennessee
Texas AgriLife Research	298,000	298,000	182,000	182,000	National Animal Health Laboratory Network for the Food and Agriculture Defense Initiative
Utah State University	50,000	50,000	31,000	31,000	National Animal Health Laboratory Network: Utah
Washington State University	308,000	308,000	182,000	182,000	Washington Animal Disease Diagnostic Laboratory Participation as a Core Laboratory in the National Animal Health Laboratory Network
University of Wisconsin	298,000	298,000	182,000	182,000	National Animal Health Laboratory Network
University	50,000	50,000	31,000	31,000	National Animal

Institution Name	Fiscal Year 2009 Award Amount (\$)	Fiscal Year 2010 Award Amount (\$)	Fiscal Year 2011 Award Amount (\$)	Fiscal Year 2012 Award Amount (\$)	Purpose or Title
of Wyoming					Health Laboratory Network Testing University of Wyoming, Wyoming State Veterinary Laboratory
<b>TOTAL</b>	<b>9,431,000</b>	<b>9,863,194</b>	<b>5,735,000</b>	<b>5,735,940</b>	

## STEM Grants

Mr. Aderholt: Please provide a summary of STEM grants, including the program and amount for fiscal years 2009 through 2013.

Response: The information is submitted for the record.

[The information follows:]

Science, Technology, Engineering and Mathematics (STEM)  
Funding for Fiscal Years 2009 through 2013

<u>Program</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Secondary and Two-Year Post Secondary	\$983,000	\$983,000	\$981,034	\$900,000	\$906,000
Higher Education Competitive Challenge					
Grants	5,654,000	5,654,000	5,642,692	4,770,000	a/
Multicultural Scholars	981,000	1,241,000	1,238,518	990,000	a/
National Needs Graduate Fellowship Program	3,859,000	3,859,000	3,851,282	3,240,000	a/
Institution Challenge, Multicultural					
Scholars, and Graduate Fellowships	0	0	0	0	9,055,000
Agriculture in the Classroom	553,000	553,000	551,894	552,000	555,000
Women and Minorities in STEM Fields	0	400,000	399,200	400,000	402,000
<b>TOTAL STEM GRANTS</b>	<b>12,030,000</b>	<b>12,690,000</b>	<b>12,664,620</b>	<b>10,852,000</b>	<b>10,918,000</b>

a/ Higher Education Challenge Grants, Multicultural Scholars, and National Needs Graduate Fellowship Program are consolidated in FY 2013.

## Crop Protection/Pest Management (CP/PM)

Mr. Aderholt: The President's budget request proposed to consolidate the crop protection programs. What is USDA's plan for managing a consolidated program? What would be the priority areas? What would stay the same? What would be different? Would the consolidated program save staff time or resources? How much would be saved?

Response: The budget consolidation is proposed for a more integrated and strategic approach to the development of pest management strategies needed to ensure global food security and effective response to other major societal

challenges. A total of five existing funding lines would be consolidated into a single funding line under Integrated Activities. Those lines are Expert Integrated Pest Management (IPM) Decision Support System, IPM and Biological Control, Pest Management Alternatives, Smith-Lever 3(d) Pest Management, and Regional Pest Management Centers. Funded activities under the consolidated program will be for IPM projects that respond to pest management challenges with coordinated state-based, regional, and national research, education, and extension programs and that promote further development and uses of IPM approaches.

The President's budget request identifies five priority areas that will provide support for research, extension and education funded through a mixture of national and regional competitive grant programs. The proposed program areas are plant protection tactics and tools; diversified integrated pest management systems; enhancing agricultural biosecurity; integrated pest management for a sustainable society; and development of the next generation of integrated pest management scientists.

The consolidated program will maintain the essential functions of these existing five programs. In response to stakeholder concerns, the President's budget proposes to maintain the Minor Crop Pest Management (IR-4) Program as a stand-alone budget line. Most aspects of managing this consolidated program will remain the same.

The coordinated approach that will be possible in a single consolidated program will result in a more effective and efficient use of federal funding appropriated to NIFA for pest management efforts. We expect to be able to simplify our processes and reduce the duplicate administrative burdens associated with our existing IPM funding programs. We will be able to make all awards under one appropriation line rather than the current situation of making awards under two appropriation lines as is currently done for the IPM and Biological Control program. NIFA intends to achieve significant savings in staff time by reducing the number of Requests for Applications from the current number of eight to three or four. The combined staff administrative time savings from this reduction will be approximately one-quarter to one-third full time equivalent (FTE).

#### Sustainable Agriculture

Mr. Aderholt: The budget request proposes to consolidate the sustainable agriculture programs. What is USDA's plan for managing a consolidated program? What would be the priority areas? What would stay the same? What would be different? Would the consolidated program save staff time or resources? How much would be saved?

Response: Almost all aspects of managing Sustainable Agriculture Research and Education, or SARE, under a consolidated program will remain the same. The SARE programs, which are now 25 years old, have excellent operational procedures that are built on strong relationships with the host institutions and the Administrative Councils in each of the SARE regions. Going forward, we plan to maintain these operational procedures and relationships under the consolidated program.

The regional Administrative Councils, which are established by statute, are a fundamental strength of the SARE programs and a source of the programs'

relevancy. These Administrative Councils have responsibility for setting the priorities in their respective regions and they all place a high value on the extension and training components of the programs, which would be consolidated into a single program with the research and education functions. We do not anticipate any change in priorities as a result of this consolidation.

The sole reason for proposing this change is to simplify our processes and reduce the duplicate administrative burden associated with administering the SARE program under two separate appropriations lines. For NIFA, we will achieve a significant savings in staff time. We will process five cooperative agreements a year rather than 10. This will result in staff savings of approximately 2 days per cooperative agreement or 10 staff days per year. Our partners in the SARE regions will achieve an even greater savings in staff time since they will prepare and submit only a single annual plan and a single activity report per region under the consolidated program, rather than the two sets of documents required currently. We estimate that the savings will be as much as two staff weeks per year per region. The combined staff savings will be approximately 12 weeks per year. This consolidation will support a unified approach that emphasizes the connection between stakeholder guided applied research and rapid dissemination of the research results. By eliminating a structural distinction between the research and extension functions we will strengthen the linkages and achieve even greater program relevancy and efficacy.

#### Scientific Integrity Policy

Mr. Aderholt: Have any changes been made to the agency's scientific integrity policy? Please provide a copy of the current policy for the record.

Response: No changes have been approved by the Department. A copy of the latest current policy is provided for the record.

[The information follows:]

DEPARTMENTAL REGULATION		Number: DR 1074-001
SUBJECT: Scientific Integrity	DATE: May 10, 2013	
	OPI: Office of the Chief Scientist	

## Section

- 1 Purpose
  - 2 Special Instructions/Cancellation
  - 3 Background
  - 4 References
  - 5 Policy
  - 6 Responsibilities
  - 7 Definitions
  - 8 Abbreviations
  - 9 Procedures
  - 10 Appendix A - Code of Scientific Ethics
1. **PURPOSE** This Directive establishes the U.S. Department of Agriculture's (USDA) Scientific Integrity Policy and provides instruction and guidance to Departmental leadership, employees, and contractors to ensure the highest level of integrity in all aspects of the executive branch's involvement with scientific and technological processes and analyses.
  2. **SPECIAL INSTRUCTIONS/CANCELLATION** This is a new regulation, superseding Secretary's Memorandum 1074-001 dated August 5, 2011.
  3. **BACKGROUND** This policy includes guidance to decision makers as they develop public policies informed by sound science relevant to food, agriculture, natural resources, rural development, and related issues. This information will ensure public confidence by articulating the principles of scientific integrity and roles and responsibilities of all USDA employees, including career staff and political appointees, in maintaining these principles within USDA. It will help ensure that services to USDA clients are backed by sound science and that the

actions of employees and contractors are conducted with integrity.

The policy directs employees, political and career, on both the proper use of scientific findings and the principles of conducting scientific activities consistent with the Presidential Memorandum on Scientific Integrity dated March 9, 2009; the Office of Science and Technology Policy (OSTP) 2010 guidance on scientific integrity; the Office of Management and Budget (OMB)

Information Quality Guidelines<sup>1</sup>; SM -1074-001; and the 2004 OMB Final

Information Quality Bulletin for Peer Review.<sup>2</sup>

4. REFERENCES This directive must be used in conjunction with:

- a. 5 USC 301, Departmental Regulations
- b. 7 CFR 2.21(a)(11) Related to Scientific Integrity
- c. 7 CFR 2.69, Establishment of the Office of the Chief Scientist
- d. PL 106-554, The Information Quality Act
- e. PL 103-354, Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994
- f. Statistical Policy Directive No. 3, Compilation, Relevance, and Evaluation of Principal Federal Economic Indicators
- g. Statistical Policy Directive No. 4, Release and Dissemination of Statistical Products Produced by Federal Statistical Agencies
- h. 65 FR 76260-76264, Federal Policy of Research Misconduct
- i. DR 2401-001, USDA Intramural Research Misconduct Policies and Guidelines
- j. 7 CFR 3022 (Jan. 1, 2011), Research Institutions Conducting USDA-Funded Extramural Research; Research Misconduct
- k. 5 USC 1221, Whistleblower Protection Act of 1989
- l. 5 USC Appendix 2, Federal Advisory Committee Act
- m. DR 1041-001, Advisory Committee Management
- n. DR 1410-001, Publications Review/Clearance Policy
- o. DR 1495-001, New Media Roles, Responsibilities, and Authorities
- p. 5 CFR 735, Employee Responsibilities and Conduct

- q. 5 CFR 2635, Standards of Ethical Conduct for Employees of the Executive Branch
- r. DR 4070-735-001, Employee Responsibilities and Conduct
- s. Ethics Issuance No. 09-1, Ethics Issues Related to USDA Scientists

<sup>1</sup>Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies, 2002; <http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/reproducible2.pdf>. <sup>2</sup>On December 16, 2004, OMB, in consultation with the Office of Science and Technology Policy (OSTP), issued its Final Information Quality Bulletin for Peer Review to the heads of departments and agencies

(available at <http://www.whitehouse.gov/sites/default/files/omb/assets/omb/memoranda/fy2005/m05-03.pdf>).

This Regulation shall not be interpreted to conflict with the rights of an employee under the law, including:

- The Federal Service Labor-Management Relations Statute (5 U.S.C. 7101-7135)
- Various collective bargaining agreements;
- Those provisions of Chapter 75 of Title 5 of United States Code relating to disciplinary action of employees; and
- The Whistleblower Protection Act of 1989 (5 U.S.C. 1213).

Additionally, this Regulation shall not be interpreted to conflict with any rights accorded a union representative under the Federal Service Labor-Management Relations Statute when communicating as a union representative.

##### 5. POLICY

Pursuant to the Presidential Memorandum on Scientific Integrity dated March 9, 2009, and complying with applicable statutes, regulations, trade agreements, and/or international protocols, Executive Orders, or Presidential Memoranda, the policy of the Department is to:

- a. Promote a culture of scientific integrity. Science, and public trust in science, thrives in an environment that shields scientific data and analyses and their use in policy making from political interference or inappropriate influence. Scientific and technological findings should not be suppressed or altered;
- b. Select and retain candidates for scientific and technical positions at USDA based on the candidate's scientific and technical knowledge, credentials, experience, and integrity, and hold them and their supervisors to the highest standard of professional and scientific

ethics, as described in the Code of Scientific Ethics (Appendix A);

- c. When considering scientific or technical information in deriving policy decisions, ensure the quality, accuracy and transparency of that information:

- (1) Use information based on well-established scientific processes, including appropriate peer review and public input consistent with the OMB Final Information Quality Bulletin for Peer Review;
- (2) Reflect scientific information appropriately and accurately when complying with and applying relevant statutory and regulatory standards and procedures;
- (3) Make scientific findings or conclusions considered or relied on in policy decisions publicly available online and in open formats, to the extent practicable, consistent with the Administration's Open Government Initiative, the Freedom of Information Act, the Administrative Procedure Act, and other applicable statutes, regulations or document-handling procedures and policies. Include information on the specific approach, data and models used to develop such scientific conclusions, including a clear explanation of underlying assumptions and uncertainties, and, where appropriate, probabilities associated with a range of projections or scenarios;

- d. Continue to develop policies, in coordination with the General Services Administration and consistent with the Administration's guidance on lobbyists serving on Federal Advisory Committees (FACs), for convening FACs tasked with giving scientific advice, consistent with the following:

- (1) The recruitment process for new FAC members should be as transparent as practicable. When practicable and appropriate, FAC member vacancies will be announced widely, including notification in the Federal Register with an invitation for the public to recommend individuals for consideration and for self-nominations;
- (2) Professional biographical information of FAC appointees (including current and past affiliations) will be made widely available to the public (e.g., via a Web site) subject to Privacy Act and other statutory/regulatory considerations;
- (3) The selection of members to serve on a scientific or technical FAC will be based on expertise, knowledge, and contribution to the relevant subject area. Additional factors for consideration will include the availability of the member to serve, diversity among members of the FAC, and the ability to work effectively on advisory committees. Committee membership should be fairly balanced in terms of points of view represented with respect to the functions to be performed by the FAC;

- (4) Except when prohibited by law, USDA will make all Conflict of Interest waivers granted to the committee members publicly available; and
  - (5) Except when explicitly stated in a prior agreement between USDA and an FAC, all reports, recommendations, and products produced by FACs will be treated as solely the findings of such committees rather than of the U.S. Government and, thus, will not be subjected to intra- or inter-agency revision.
- e. Support scientific integrity in the communication of scientific findings and products, including to:
- (1) Encourage, but not require, USDA scientists to participate in communications with the media regarding their scientific findings. Scientists are expected to coordinate with their immediate supervisors and public affairs office in accordance with the policies of their specific agencies. Agencies are expected to coordinate with the Office of Communications, which provides a centralize operational direction for communications about the work of the Department. Its role in communications regarding research and analysis done by USDA scientists and researchers is to assist with presentation, style, and logistics of the communications and advice on potential media requests or media outreach strategies.
  - (2) Ensure that scientists may communicate their findings without political interference or inappropriate influence, while at the same time complying with USDA policies and procedures for planning and conducting scientific activities, reporting scientific findings, and reviewing and releasing scientific products. Such communications include research on policy-related issues when appropriate to the role of the agency and scientist; however, the scientists should refrain from making statements that could be construed as being judgments of or recommendations on USDA or any other federal government policy, either intentionally or inadvertently. Communications on such matters should remain within the bounds of their scientific findings. Such scientific and technical communications for non-USDA media (e.g., manuscripts and presentations for scientific journals, workshops, conferences, and symposia) should follow agency technical review procedures and do not generally require review above the agency level.
  - (3) The scientific integrity policy is not meant to limit the obligations of political appointees and agency leadership in setting research priorities that may change due to budget constraints or other challenges that may arise, such as the need to address urgent public health crises. It also is not intended to limit the ability of public affairs staff to make decisions about whether or not the Department issues press releases or other external communications vehicles about research findings.
- f. Encourage USDA scientists, engineers, and analysts to interact with the broader scientific community, in a manner that is consistent with

Federal rules of ethics, job responsibilities, and existing agency policies, including:

- (1) Encouraging publication of research findings in peer-reviewed, professional, or scholarly journals;
  - (2) Encouraging presentation of research findings at professional meetings;
  - (3) Allowing USDA scientists and engineers to become editors or editorial board members of professional or scholarly journals;
  - (4) Allowing participation in professional societies, committees, task forces and other specialized bodies of professional societies, including removing barriers to serving as officers or on governing boards of such societies, to the extent allowed by law; and
  - (5) Allowing Government scientists and engineers to receive honors and awards for their research and discoveries with the goal of minimizing, to the extent practicable, disparities in the potential for private-sector and public-sector scientists and engineers to accrue the professional recognition of such honors or awards.
- g. Ensure that mechanisms are in place to resolve disputes that arise from instances in which the scientific process or the integrity of scientific and technological information may be compromised;
  - h. Protect those who uncover and report allegations of research misconduct or other violations of scientific integrity, as well as those accused of research misconduct or other violations of scientific integrity in the absence of a finding of misconduct, from prohibited personnel practices (as defined in 5 U.S.C. 2302(b));
  - i. Continue to comply with the requirements of the Whistleblower Protection Act of 1989 (WPA), Public Law 101-12, and its expanded protections enacted by Public Law 103-424. The USDA shall also continue to comply with all Department- and Agency-specific WPA regulations, rules, and policies.

#### 6. RESPONSIBILITIES

This Memorandum establishes the USDA's scientific integrity policy to direct the conduct of scientific investigation, management of scientific activities, and use of scientific information to the extent practicable, consistent with the Administration's Open Government Initiative, the Freedom of Information Act, the Administrative Procedure Act, Final Information Quality Bulletin on Peer Review, and other applicable statutes, regulations, OMB guidance and other Departmental regulatory decision making requirements embodied in DR-1512.

- a. This policy applies to:

- (1) All USDA Mission Areas, Agencies, and Offices;
  - (2) All USDA employees, political and career, who engage in, supervise, or manage scientific activities, analyze and/or publicly communicate information resulting from scientific activities, or who utilize the information in decision making; and
  - (3) All contractors, cooperators, partners, permittees, lessees, and grantees that assist with developing or applying the results of scientific and technical activities on behalf of USDA.
- b. The USDA Chief Scientist oversees all aspects of this directive. Specific responsibilities, which may be delegated as appropriate, include: (1) Providing leadership for the Department on scientific integrity;
- (2) Ensuring Departmental compliance with this policy;
  - (3) Seeking consultation with the USDA Science Council in regard to implementation of this policy;
  - (4) Reviewing Mission Area, Agency, and Communications and Office compliance with this policy;
  - (5) Developing training to ensure that employees understand the policy and are adequately prepared to comply;
  - (6) Updating this Departmental Regulation and accompanying guidance, as appropriate; and
  - (7) Designating the duties of Departmental Scientific Integrity Officer (DSIO) to a senior career staff person with scientific or scholarly credentials or both.
- c. The DSIO will:
- (1) Serve as a neutral point of contact (ombudsman) for receiving allegations of violations of scientific integrity against USDA employees from the Office of Inspector General (OIG) hotline, directly from the public, or from other sources.
  - (2) Serve as the Scientific Integrity Officer for the Office of the Secretary.
  - (3) Coordinate with OIG, the Office of Ethics, the Office of Human Resources Management, the Office of Communications, and the Office of the Chief Information Officer, and others as necessary to ensure that policies are aligned and guidance is appropriate and consistent.
  - (4) Refer allegations to the appropriate Agency Scientific Integrity Officer (ASIO).

- (5) Review Agency reports of allegations and their disposition.
  - (6) Maintain a status Report for USDA as a means of monitoring the progress toward resolution.
  - (7) Immediately report any potentially criminal behavior to OIG and coordinate with the appropriate USDA agency to ensure that all records, documents, or other materials related to the allegation are provided to OIG. If OIG accepts the case for criminal investigation, it will assume responsibility for conducting the criminal investigation into the allegation.
  - (8) Keep the Chief Scientist and the Science Council informed on the status of the implementation of this policy.
  - (9) Provide contact information for the DSIO on the USDA website and any other appropriate medium.
  - (10) Maintain a public Web site containing USDA scientific integrity policy, procedures, points of contact, and an annual summary of the aggregate number of allegations of misconduct and their disposition (e.g., how many proceeded to investigation, and the number of findings of misconduct).
- d. Assistant Secretaries and Under Secretaries will: (1) Ensure that their agencies and offices comply with this policy.
- (1) Appoint representatives to the USDA Science Council as requested.
  - (2) Review agency/office-specific guidance, as appropriate.
- e. USDA Chief Procurement Officer (Director, Office of Procurement and Property Management) will: (1) Promulgate appropriate changes to contract provisions to implement this policy through the Agriculture Acquisition Regulations. (2) Provide USDA contracting officers and contracting officer's technical representatives information regarding the requirements of this policy.
- f. The USDA Agencies and Offices will:
- (1) Provide agency employees and volunteers with policy and guidance and ensure that they receive the training needed to understand their responsibilities under, and comply with, the Departmental policy and any agency-specific guidance on scientific integrity;
  - (2) Develop any agency-specific policies and guidance, as appropriate, including appropriate language in contracts, grants, permits, leases, and cooperative agreements;
  - (3) Ensure that contractors, cooperators, partners, permittees, lessees, and grantees covered under the scope of this policy are aware of their responsibilities for complying with the

principles of this policy and any agency-specific guidance.

- (4) Appoint an ASIO; and
- (5) Monitor and report compliance with the USDA Scientific Integrity Policy to the DSIO, including activities undertaken to implement this policy and a summary of complaints received and their disposition.

g. ASIOs are responsible for:

- (1) Implementing this policy as it pertains to the agency.
- (2) Keeping the agency Administrator or appropriate senior executive informed on the status of implementation of this policy.
- (3) Coordinating with the appropriate human resources officer, ethics officer, Agency Research Integrity Officer (ARIO)<sup>3</sup>, information integrity officer, peer review officer, public affairs officer, the DSIO, advisory committee Designated Federal Officers and others as needed to ensure that agency policies are aligned and agency guidance is appropriate and consistent.
- (4) Reporting all allegations received by the Agency to the DSIO; providing records when requested, and status reports to DSIO of the disposition of allegations (including those referred to the ASIO by DSIO).
- (5) Conducting a review of allegations and submitted materials received from the DSIO, OIG, or other source, following established procedures, to determine their merit.
- (6) Coordinating with the DSIO on all submitted allegations and subsequent actions to ensure integrity and consistency of the process across the Department.

h. Managers and Supervisors are responsible for:

- (1) Being aware of and upholding the principles contained in this policy, including the Code of Scientific Ethics (Appendix A).
- (2) Implementing this policy as it pertains to their area of management or supervision.
- (3) Ensuring that their employees are informed about and receive training on this policy.

<sup>3</sup> The responsibilities of ARIO and the Department Research Integrity Officer (USDA RIO) are explained in the USDA policy on research misconduct in DR

2401-001. An agency may or may not assign ARIO and ASIO responsibilities to the same individual, and REE may or may not assign USDA RIO and DSIO responsibilities to the same individual.

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- (4) Taking appropriate administrative and disciplinary action.
  - (5) Consulting, as appropriate depending upon the nature of the allegation, with the ASIO, human resources officer, ethics officer, DSIO, OIG, Office of the General Counsel, and the Office of Civil Rights.
  - (6) Ensuring that all contracts, written agreements, cooperative agreements, grants, permits, and lessees, covered under the scope of this policy and under their purview, include the requirements of this policy in their performance work statement.
- i. Employees and Volunteers are responsible for:
    - (1) Being aware of and upholding the principles contained in this policy, including the Code of Scientific Ethics (Appendix A).
    - (2) Complying with the policy and any additional agency/office-specific guidance.
    - (3) Reporting to the appropriate officials any knowledge of scientific misconduct that is planned, is imminent, or has occurred.
    - (4) Ensuring that any contractors, cooperators, partners, permittees, lessees, and grantees covered under this policy with whom they are executing contracts, written agreements, cooperative agreements, grants, leases, or permits are aware of their responsibilities for complying with this policy and any agency/office-specific guidance.
  - j. Contractors, cooperators, partners, permittees, lessees, and grantees are responsible for abiding by the principles contained in this policy regarding the integrity of the Department's scientific and scholarly activities, as specified in written agreements or statements of work. 9

## 7. DEFINITIONS

- a. Advisory Committee. Any committee, board, commission, council, conference, panel, task force, or other similar group that is established by statute, or established or utilized by the President or by an agency official, for the purpose of obtaining advice or recommendations for the President or on issues or policies within the scope of an agency official's responsibilities.

- b. Agency Research Integrity Officer (ARIO). The individual appointed by a USDA agency that conducts research and who is responsible for overseeing agency responsibilities and activities related to research misconduct.
- c. Agency Scientific Integrity Officer (ASIO). The individual appointed by a USDA agency who is responsible for overseeing agency responsibilities and activities related to scientific integrity.
- d. Allegation. A disclosure of possible research misconduct or other violation of scientific integrity through any means of communication. The disclosure may be by written or oral statement, or by other means of communication to an institutional or USDA official.
- e. Conflict of Interest. Any financial or non-financial interest that conflicts with the actions or judgments of an individual when conducting scientific activities because it:
  - (1) could impair the individual's objectivity;
  - (2) could create an unfair competitive advantage for any person or organization; or
  - (3) could create the appearance of either (1) or (2).
- f. Decision-Makers. Employees who may:
  - Develop policies or make determinations about policy or management;
  - Make determinations about expenditures of USDA funds;
  - Implement or manage activities that involve, or rely on, scientific activities; or
  - Supervise employees who engage in scientific activities.
- g. Designated Federal Officer (DFO). An individual designated by the agency head, for each advisory committee for which the agency head is responsible, to implement the provisions of sections 10(e) and (f) of the Federal Advisory Committee Act and any advisory committee procedures of the agency.
- h. Fabrication. Making up data or results and recording or reporting them.
- i. Falsification. Manipulating research materials, equipment, or processes, or changing or omitting data or results such that the research is not accurately represented in the research record.
- j. Financial Interest. Any matter affecting a personal financial interest or a financial interest imputed to the individual (including, but not limited to, the individual's spouse and any entity for which the individual serves in a personal capacity as an officer or board member, such as due to fiduciary duties to the organization under state law).<sup>4</sup>

- k. Inappropriate influence. The attempt to shape the production of a scientific or statistical product against the judgment of a nonpartisan and apolitical scientific or statistical agency. More specifically, it includes:
- (1) the suppression of an agency's responsibility to offer its best judgment on how to most accurately and reliably study or measure a given phenomenon;
  - (2) the decision to prevent an agency from using state-of-the-art science;
  - (3) the insistence on preclearance of a major statistical product or a scientific or technical manuscript or presentation that is based on state-of-the-art science; and
  - (4) the suppression, alteration, or delay of the release of a statistical or scientific product for any reason other than technical merit as determined through standard agency procedures.
- l. Non-Financial Conflict of Interest. Individual participation in a matter where one of the parties has, or is represented by someone with whom the individual has, a covered relationship (including, but not limited to, a spouse's employer and any entity for which the individual is actively involved in a personal capacity).<sup>5</sup>
- m. Plagiarism. The appropriation of another person's ideas, processes, results, or words without giving appropriate credit.
- n. Political interference. The attempt to gain partisan or regional advantage by shaping the production of a statistical or scientific product against the judgment of a nonpartisan and apolitical statistical or scientific agency. More specifically, it includes: (1) the politically motivated suppression of an agency's responsibility to offer its best judgment on how to most accurately and reliably measure a given phenomenon; (2) the politically motivated decision to prevent an agency from using state-of-the-art science; and (3) the politically motivated insistence on preclearance of a major statistical or scientific product that is based on state-of-the-art science.

<sup>4</sup> See 18 U.S.C. 208. This definition will be applied consistently with any rule issued by U.S. Office of Government Ethics permitting the appointment of Federal employees to serve in their official capacities on the boards of directors and as officers of nonprofit organizations, including scientific organizations, professional societies, and similar bodies that are actively involved in matters under the jurisdiction of the Department. See 76 FR 24816 (May 3, 2011).

<sup>5</sup> See 5 C.F.R. 2635.502(b).

- o. Research. All basic, applied, and demonstration research in all fields of science, technology, engineering, and mathematics. This includes, but is not limited to, research in economics, education, linguistics, medicine, psychology, natural sciences, social sciences, statistics, and research involving human subjects or animals regardless of the funding mechanism used to support it.
- p. Research Misconduct. Fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results. Research misconduct does not include honest error or differences of opinion.
- q. Scientific Activities. Activities that involve inventorying, monitoring, observations, experimentation, study, research, analysis, integration, modeling, scientific assessment, and technology development.
- r. Scientific Assessment. Evaluation of a body of scientific or technical knowledge that typically synthesizes multiple factual inputs, data, models, and assumptions, and implies the use of best professional judgment to bridge uncertainties in the available information.
- s. Scientific Integrity. The condition resulting from adherence to professional values and practices when conducting and applying the results of science that ensures objectivity, clarity, and reproducibility, and that provides insulation from bias, fabrication, falsification, plagiarism, interference, censorship, and inadequate procedural and information security.
- t. Scientific Product. Presentation of the results of scientific activities including the analysis, synthesis, compilation, or translation of scientific information and data into formats for the use of the Department of Agriculture or the Nation. Official policy, budget, or management documents are not considered scientific products.
- u. Statistical Agency. A Federal statistical agency is a unit of the federal government whose principal function is the compilation and analysis of data and the dissemination of information for statistical purposes.
- v. Transparent (Transparency). Characterized by visibility or accessibility of information (the quality or state of being transparent).
- w. USDA Departmental Scientific Integrity Officer (DSIO). The individual designated by the USDA Chief Scientist who is responsible for implementing the USDA scientific integrity policy under the direction of the Chief Scientist and the USDA Science Council.
- x. USDA Research Integrity Officer (USDA RIO). The individual designated by the Office of the Under Secretary for Research, Education, and Economics (REE) who is responsible for overseeing USDA and its research agencies' development and implementation of research misconduct

policies and procedures.

- y. USDA Science Council. A group representing USDA Mission Areas and Offices, chaired by the USDA Chief Scientist, to facilitate cross-Department coordination and collaboration among all USDA agencies.

#### 8. ABBREVIATIONS

- a. ARIO: Agency Research Integrity Officer.
- b. ASIO: Agency Scientific Integrity Officer.
- c. CFR: Code of Federal Regulations.
- d. DFO: Designated Federal Officer.
- e. DR: Departmental Regulation.
- f. DSIO: Department Scientific Integrity Officer.
- g. FAC: Federal Advisory Committee.
- h. FR: Federal Register.
- i. OC: The Office of Communications of the United States Department of Agriculture.
- j. OIG: The Office of Inspector General of the United States Department of Agriculture.
- k. OMB: The Office of Management and Budget of the Executive Office of the President.
- l. OSTP: The Office of Science and Technology Policy of the Executive Office of the
- m. President.
- n. PL: Public Law.
- o. REE: The Research, Education and Economics Mission Area of the United States
- p. Department of Agriculture.
- q. SM: Secretary's Memorandum.
- r. USC: United States Code.

- s. USDA: The U.S. Department of Agriculture.
- t. USDA RIO: The Research Integrity Officer of the U.S. Department of Agriculture.
- u. WPA: The Whistleblower Protection Act of 1989.
- 9. PROCEDURES The Scientific Integrity Policy Handbook maintained by the DSIO establishes processes for implementing this Departmental Regulation.

-END-

#### APPENDIX A CODE OF SCIENTIFIC ETHICS

- I dedicate myself to the pursuit, promotion, and advancement of scientific knowledge.
- I will design, conduct, manage, judge, and report scientific research honestly, thoroughly, and without conflict of interest.
- I will prevent abuse of all resources entrusted to me and endeavor to treat human and animal subjects humanely, following established guidelines where they are available.
- I will not willfully hinder the research of others nor engage in dishonesty, fraud, deceit, misrepresentation, or other professional misconduct.
- I will welcome constructive criticism of my personal scientific research and offer the same to my colleagues in a manner that fosters mutual respect amid objective scientific debate.
- I will recognize past and present contributors to my research and will neither accept nor assume unauthorized and/or unwarranted credit for another's accomplishments.
- I will claim authorship for a research product only if I am willing to be held responsible for both the interpretation of the data and the conclusions as presented.
- I will claim authorship for a research product only if I have made a major intellectual contribution (as part of conception, design, data collection, data analysis, or interpretation) and made significant contributions to its preparation (written, reviewed, or edited).
- I will not publish or use original ideas, research data, or unpublished findings of others without written approval.
- I will refrain from duplicative publication of the same research findings as original.
- I will show appropriate diligence toward preserving and maintaining

resources, such as data records, that are entrusted to me.

[http://www.fs.fed.us/research/pdf/fs\\_code\\_of%20scientific\\_ethics.pdf](http://www.fs.fed.us/research/pdf/fs_code_of%20scientific_ethics.pdf)

## AFRI Priority History Table

Mr. Aderholt: Please provide a table showing the allocations for the AFRI priorities and subpriorities for fiscal years 2008 through 2011. Please also include a column showing proposed allocations for fiscal years 2012 and 2013.

Response: The information is submitted for the record.

[The information follows:]

AFRI Priority Area	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012*	FY 2013*
<b>A. Plant health and production and plant products</b>	35.78%	35.68%	23.41%	18.38%	20.90%	20.90%
(i) plant genome structure and function	15.28%	6.64%	9.77%	10.63%	10.20%	10.20%
(ii) molecular and cellular genetics and plant biotechnology	28.37%	16.49%	21.16%	12.33%	16.75%	16.75%
(iii) conventional breeding	n/a	19.66%	19.04%	23.60%	21.32%	21.32%
(iv) plant-pest interactions and biocontrol systems	48.28%	49.05%	39.52%	49.54%	44.53%	44.53%
(v) crop plant response to environmental stresses	6.49%	4.74%	8.74%	1.95%	5.35%	5.35%
(vi) unproved nutrient qualities of plant products	1.06%	2.06%	0.07%	0.00%	0.04%	0.04%
(vii) new food and industrial uses of plant products	0.53%	1.37%	1.70%	1.95%	1.82%	1.82%
<b>B. Animal health and production and animal products</b>	21.97%	23.87%	13.44%	9.38%	11.41%	11.41%
(i) aquaculture	6.18%	6.53%	3.24%	0.53%	1.89%	1.89%
(ii) cellular and molecular basis of animal reproduction, growth, disease, and health	62.70%	58.32%	40.72%	47.03%	43.88%	43.88%
(iii) animal biotechnology	n/a	0.68%	0.01%	0.00%	0.00%	0.00%
(iv) conventional breeding	n/a	9.39%	16.66%	15.22%	15.94%	15.94%
(v) identification of genes responsible for improved production traits and resistance to disease	13.96%	9.03%	12.70%	11.55%	12.13%	12.13%
(vi) improved	6.55%	4.05%	4.32%	3.09%	3.70%	3.70%

AFRI Priority Area	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012*	FY 2013*
nutritional performance of animals						
(vii) improved nutrient qualities of animal products and uses	10.60%	1.77%	1.52%	2.17%	1.84%	1.84%
(viii) the development of new and improved animal husbandry and production systems	n/a	10.24%	20.83%	20.42%	20.62%	20.62%
<b>C. Food safety, nutrition, and health</b>	<b>19.01%</b>	<b>18.11%</b>	<b>20.90%</b>	<b>39.86%</b>	<b>30.38%</b>	<b>30.38%</b>
(i) microbial contaminants and pesticides residue relating to human health	26.08%	30.69%	26.47%	15.36%	20.92%	20.92%
(ii) links between diet and health	35.15%	35.43%	53.27%	68.36%	60.81%	60.81%
(iii) bioavailability of nutrients	19.25%	13.05%	2.10%	2.22%	2.16%	2.16%
(iv) postharvest physiology and practices	0.30%	3.66%	5.97%	3.93%	4.95%	4.95%
(v) improved processing technologies	19.22%	17.17%	12.19%	10.13%	11.16%	11.16%
<b>D. Renewable energy, natural resources, and environment</b>	<b>12.64%</b>	<b>11.37%</b>	<b>30.31%</b>	<b>18.25%</b>	<b>24.29%</b>	<b>24.29%</b>
(i) fundamental structures and functions of ecosystems	34.38%	15.44%	10.85%	2.54%	6.69%	6.69%
(ii) biological and physical bases of sustainable production systems	24.27%	45.52%	30.98%	64.84%	47.91%	47.91%
(iii) minimizing soil and water losses and sustaining surface water and ground water quality	25.84%	18.83%	7.61%	3.07%	5.34%	5.34%
(iv) global climate effects on agriculture	9.83%	5.60%	41.34%	17.81%	29.58%	29.58%
(v) forestry	1.80%	4.68%	5.48%	11.13%	8.30%	8.30%
(vi) biological diversity	3.88%	9.93%	3.73%	0.62%	2.17%	2.17%
<b>E. Agriculture systems and technology</b>	<b>5.51%</b>	<b>5.75%</b>	<b>5.78%</b>	<b>7.62%</b>	<b>6.70%</b>	<b>6.70%</b>
(i) new uses and new products from traditional and nontraditional crops,	63.88%	48.29%	46.97%	71.00%	58.99%	58.99%

AFRI Priority Area	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012*	FY 2013*
animals, byproducts, and natural resources						
(ii) robotics, energy efficiency, computing, and expert systems	16.34%	27.12%	20.43%	15.78%	18.10%	18.10%
(iii) new hazard and risk assessment and mitigation measurements	19.78%	24.58%	21.27%	7.84%	14.55%	14.55%
(iv) water quality and management	0.00%	0.00%	11.33%	5.39%	8.36%	8.36%
<b>F. Agriculture economics and rural communities</b>	<b>5.11%</b>	<b>5.22%</b>	<b>6.14%</b>	<b>6.51%</b>	<b>6.33%</b>	<b>6.33%</b>
(i) strategies for entering into and being competitive in domestic and overseas markets	18.30%	18.17%	19.10%	19.50%	19.30%	19.30%
(ii) farm efficiency and profitability	n/a	32.17%	28.92%	32.24%	30.58%	30.58%
(iii) new decision tools for farm and market systems	26.92%	25.33%	13.47%	8.50%	10.98%	10.98%
(iv) choices and applications of technology	7.81%	9.49%	6.15%	3.80%	4.98%	4.98%
(v) technology assessment	0.56%	2.97%	5.24%	8.87%	7.06%	7.06%
(vi) new approaches to rural development	46.41%	11.87%	27.12%	27.09%	27.10%	27.10%

\*Funding amounts by priority and sub-priority area are calculations using a historical rate of investment. The historical investment is based on a two-year average of awards made for each priority and sub-priority during FYs 2010 through 2011.

NA = Sub-priority was added in the 2008 Farm Bill. Because AFRI was not implemented until FY 2009, the sub-priority was not applicable in 2008. FY 2008 data is for the National Research Initiative competitive grants program.

## QUESTIONS SUBMITTED BY CONGRESSMAN TOM LATHAM

## National Antimicrobial Resistance Monitoring Service

Mr. Latham: Ms. Woteki, as I'm sure you are aware, the National Antimicrobial Resistance Monitoring Service (or NARMS) is a vital government program that monitors resistance trends in bacteria found in meat. This program is carried out in coordination with input from FDA, CDC, and USDA/ARS, and it has proven invaluable to meat producers, who want data providing evidence and assurance that they are producing food that is healthy and safe. What is your position on whether the Agricultural Research Service, which provides the research component to NARMS, should continue to be involved in this important program into the future?

What steps, if any, is ARS taking to ensure they remain involved as an equal partner in the continued success of NARMS?

Response: ARS has continued to be a collaborator and partner with the Food and Drug Administration (FDA) and Centers for Disease Control (CDC) in the National Antimicrobial Resistance Monitoring System (NARMS). In response to a request from FDA, ARS re-defined their activities for NARMS and organized and implemented a series of pilot studies to help gather preliminary data. These pilots will provide important data and potential study designs to FDA so that they can improve the representativeness and efficiency of the animal sampling program. These data will also be useful to FDA as they propose sampling by USDA, Food Safety and Inspection Service in the slaughter plants. Changing and strengthening the animal sampling program was a critical need identified by a recent Government Accountability Office report and a past FDA science report. ARS is, and will continue to be, an important partner in providing needed research and leadership to NARMS.



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